

# Board's Report

Dear Member,

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

## FINANCIAL PERFORMANCE

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

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

(₹ Million)

## OPERATIONS

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

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

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

The standalone revenue from operations of your Company was ₹ 146,494 million during FY22 as against ₹ 117,334 million during the previous financial year. EBITDA (excluding

other income) was at ₹ 14,308 million as compared to ₹ 20,343 million during the previous financial year. The Net Profit for the year under review was ₹ 2,611 million, as against ₹ 7,228 million in the previous fiscal.

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

## RAW MATERIALS

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

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

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

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

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

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

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

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

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

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

## DIVIDEND

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

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

## RESERVES

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

## BOARD OF DIRECTORS

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

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

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

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

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

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

### B) Changes in Directors and Key Managerial Personnel

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

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

### C) Declaration by Independent Directors

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

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

### D) Formal Annual Evaluation

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

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

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

### E) Separate Meeting of Independent Directors

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

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

- Performance of Non- Independent Directors and Board as a whole.
- Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### F) Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, laid down a Nomination & Remuneration Policy for selection and appointment of the Directors, Key Managerial Personnel and Senior Management and their remuneration. The extract of the Nomination and Remuneration Policy covering the salient features are provided in the Corporate Governance Report forming part of Board's Report.

The Nomination & Remuneration Policy of the Company is available on the website of the Company and the web link is: <https://corporate.apollotyres.com/investors/corporate-governance/?filter=CodesPolicies>

### G) Code of Conduct for Directors and Senior Management

The Company has formulated a Code of Conduct for Directors and Senior Management Personnel and has complied with all the requirements mentioned in the aforesaid code. For further details, please refer the Corporate Governance Report.

## NEW CORPORATE IDENTITY AND VISION 2025

The Company, on June 18, 2021, had unveiled its new corporate identity and vision 'Driving Progress, Together' setting the path for the next 5 (five) years. As a parent Company for both the Apollo and Vredestein tyres product brands, the Company is committed to bringing together a global community and fostering a diverse and inclusive culture, that powers innovation to transport, both its business and society forward.

This vision is supported by the organisation's purpose, 'Enabling Excellence', a belief that excellence should be universally accessible, and the Company's role is to connect people globally to the tyres, tools and support they need to reach their potential.

With this corporate identity, the Company has built a new purpose and vision for the whole organisation that everyone can identify with. The current Apollo Tyres logo will continue as the identity for the product brand – retaining the strength of the brand equity already established over many years. The exciting new identity unveiled last year for the Vredestein Tyres brand, building on its European heritage, will continue as well.

The five key pillars to realise the Company's 5-year vision are Digitalisation, Technology & Innovation, People, Brand and Sustainability.

## PRODUCT & MARKETING

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

In FY22, the APMEA operation continued its focus on key themes for the Indian market - consolidating its leadership position and expanding market share by introducing new products across segments.

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

In the LCV segment, the Company continued to play on its strength of radial technology, strong brand and a segmental approach to the market. It dominated the market with a high replacement market share.

In Pickup and SCV radials, the top selling ENDUMAXX LT continued to show a consistent gain in volume and market share throughout the year. The Company also strengthened its Bias portfolio for the SCV segment with the launch of 'BHIM'. The product has been appreciated by the customers and business partners alike.

In the PV tyres segment, the Company continued to strengthen its market leadership position in India driven by new product launches, a sharp focus on building brand salience with effective campaigns, expansion of distribution footprint and adding new OEM customers to the Company's portfolio. Even as the year began under the shadows of the second wave of the COVID-19 pandemic, the Company, with its focus on the above initiatives managed to successfully thwart the headwinds and close the year with a double-digit growth for the overall PV category. Like its overall strategy of bringing in top class products, focus on brand campaigns and increasing distribution footprint, the Company's two-wheeler category followed a similar strategy and made significant inroads in the high-value, highly profitable premium motorcycle tyre market, increasing market share to reach double digits. The Company's full range strategy supported it to cross sell the two-wheeler products to customers of agriculture and car category, both in the rural and urban markets.

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

During FY22, the Company focussed on adding new sizes to its product lines introduced in FY21 and consolidate the market offering. The year saw the product launches and marketing initiatives in line with this strategy as it added 24 sizes in the UUHP segment (19 inches and above) among its All-Season and Winter offering – Vredestein Quatrax Pro and Vredestein Wintrac Pro respectively. Further, it expanded its offering for the family and executive car segment – 18 sizes in the new summer product Vredestein Ultrac and 11 sizes in the new winter tyre, Vredestein Wintrac.

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

## FUTURE OUTLOOK

According to the World Economic Outlook (WEO) update in April 2022, "Economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest." Supply disruptions have become the norm and will result in higher and more broad-based inflation. Private consumption is expected to recover much slowly leading to restrained consumer demand.

Against such see-sawing outlook, Apollo Tyres continues with its cautious approach. The focus continues to be on investing in good costs and cutting down bad costs, employee safety and conserving cash. The Company is cutting down on all avoidable costs and focusing on good costs – R&D, eTraining, brand building, etc.

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

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

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

## MATERIAL CHANGES AND COMMITMENTS

Except the impact of COVID-19 as mentioned in this report, no material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS

The Competition Commission of India (CCI) has issued an order on February 2, 2022 mentioning that it has held five tyre manufacturers and Automotive Tyre Manufacturers Association (ATMA) guilty of contravention of the provisions of Section 3 of the Competition Act, 2002 and imposed a penalty of ₹ 425.53 Crores on the Company.

The Company does not agree with the findings of the Commission. The Company has proceeded with an appeal against the judgement and sought stay on the order before the National Company Law Appellate Tribunal (NCLAT).

We would like to reiterate that the Company follows the highest level of governance practices and operates within the letter and spirit of the law.

Other than the aforesaid, no significant and material orders have been passed during the year under review by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your Company during the year under review.

## INTERNAL FINANCIAL CONTROLS

Internal Financial Control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, timely prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has identified and documented key internal financial controls as part of standard operating procedures (SOPs). The SOPs are designed for critical processes across all plants, warehouses and offices wherein financial transactions are undertaken. The SOPs cover the standard processes, risks, key controls and each process is identified to a process owner. In addition, the Company has a well-defined Financial Delegation of Authority (FDoA), which ensures approval of financial transactions by appropriate personnel.

The Company uses SAP-ERP to process financial transactions and maintain its books of accounts. The SAP has been setup to ensure adequacy of financial transactions and integrity & reliability of financial reporting. SAP was implemented in the European operations in year 2016. SAP was also implemented at Company's Greenfield plants in Hungary and Andhra Pradesh.

The financial controls are evaluated for operating effectiveness through management's ongoing monitoring and review process, and independently by Internal Audit. The testing of controls by Internal Audit are divided into three separate categories viz. a) automated controls within SAP, b) segregation of duties within SAP and restricted access to key transactions, c) manual process controls.

In our view, the SOPs, FDoA, SAP-ERP and independent reviews by the Internal Audit help in establishing adequate internal financial controls with reference to the financial statements and such internal financial controls are operating effectively.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required by Regulation 34 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report is presented in a separate section forming part of the Annual Report.

## SUBSIDIARY/ ASSOCIATE COMPANIES

As the Company follows its vision to become a global tyre brand of choice, it has multiple Subsidiaries for facilitating these operations in various countries. As on March 31, 2022, your Company had 34 Overseas Subsidiary Companies (including step subsidiaries), 1 wholly owned Subsidiary in India, 2 Associate Companies and 1 Joint Venture.

During the year under review the Company had made an investment of ₹ 49 million in the equity share capital of Apollo Tyres Centre of Excellence Ltd, a wholly owned Subsidiary of the company. The Company had also made an investment of ₹ 93 million by purchasing 11,66,250 Equity Shares (27.2%) of CSE Deccan Solar Private Limited on January 14, 2022, to get a guaranteed supply of 40 million units of electricity per annum for its Chennai Plant. Consequent to this investment, CSE Deccan Solar Private Limited has become an Associate Company.

Apollo Tyres (Malaysia) Sdn. Bhd. (a wholly owned Subsidiary of Apollo Tyres Holdings (Singapore) Pte. Ltd) had initiated for striking off its name from the Companies Commission of Malaysia and is in the process of liquidation as the company has changed its business model in Malaysia from multiple dealer network to Distributor model.

During the year under review, ATL Singapore Pte Ltd., (a wholly owned Subsidiary of Apollo Tyres Holdings (Singapore) Pte. Ltd) had also initiated for striking off its name from the Registrar and Accounting and Corporate Regulatory Authority (ACRA) and is in the process of liquidation, as the Company had ceased its business operations completely since February 28, 2022 and Company does not have any intention of carrying on business in the future.

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

In order to distinguish between a Corporate and a Brand image of the overall Apollo Group, the Management had decided to change the name of few of its European Subsidiaries as a move towards Corporate Restructuring, Simplification and Operational Convenience. In view of the same, the names of following step-down Subsidiaries were changed during the year under review:

S. No.	Old Name	New Name
1.	Apollo Vredestein B.V.	Apollo Tyres (NL) B.V.
2.	Apollo Tyres B.V	Apollo Tyres (Europe) B.V.
3.	Apollo Tyres (UK) Pvt Limited	Apollo Tyres (UK) Holdings Ltd.
4.	Apollo Vredestein SAS	Apollo Tyres (France) SAS
5.	Apollo Vredestein Tires Inc.	Apollo Tires (US) Inc.
6.	Apollo Vredestein (UK) Ltd	Apollo Tyres (UK) Sales Ltd.
7.	Apollo Tyres (Germany) GmbH	Apollo Tyres (R&D) GmbH
8.	Apollo Vredestein Kft	Apollo Tyres (Hungary) Sales Kft.

S. No.	Old Name	New Name
9.	Apollo Vredestein Belux	Apollo Tyres (Belux) SA
10.	Apollo Vredestein Schweiz AG	Apollo Tyres (Schweiz) AG
11.	Apollo Vredestein GmbH	Apollo Tyres (Germany) GmbH
12.	Apollo Vredestein Nordic AB	Apollo Tyres (Nordic) AB
13.	Apollo Vredestein Gesellschaft m.b.H.	Apollo Tyres (Austria) Gesellschaft m.b.H.
14.	Apollo Vredestein Opony Polska Sp. Zo.o.	Apollo Tyres (Polska) Sp. Z o.o
15.	Apollo Vredestein Iberica S.A.U.	Apollo Tyres Iberica S.A.

## CONSOLIDATED FINANCIAL STATEMENTS

As stipulated by Regulation 33 of the Listing Regulations, the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards. The audited Consolidated Financial Statements, together with Auditors' Report, form part of the Annual Report.

As per the provisions of Section 129 of the Companies Act, 2013, the consolidated financial statements of the Company, its Subsidiaries and Associates are attached in the Annual Report. The annual accounts of Subsidiaries and Associates will be made available to shareholders on request and will also be kept for inspection by any shareholder at the Registered Office and Corporate Office of your Company. A statement in Form AOC-1 containing the salient features of the financial statements of the Company's Subsidiaries, Associates and Joint Venture for the year ended March 31, 2022 is also attached with financial statements.

## MATERIAL SUBSIDIARIES

Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 defines a 'material Subsidiary' to mean a Subsidiary whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed Company and its subsidiaries in the immediately preceding financial year.

In addition to the above, Regulation 24(1) of the abovementioned regulations requires that at least one Independent Director on the Board of Directors of the listed Company to be a Director on the Board of Directors of unlisted material Subsidiary, whether incorporated in India or not. For this provision, material Subsidiary means a Subsidiary whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its Subsidiaries in the immediately preceding financial year. Basis this definition, your Company has following five material unlisted Subsidiaries viz. Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.), Apollo Tyres (Hungary) Kft., Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.), Apollo Tyres Cooperatief U.A. and Apollo Tyres Holdings (Singapore) Pte Ltd. as on March 31, 2022.

Pursuant to this, Mr. Akshay Chudasama, an Independent Director of the Company was nominated as Director on the Board of Apollo Tyres (NL) B.V, Apollo Tyres (Hungary) Kft., Apollo Tyres Holdings (Singapore) Pte Ltd. and Ms. Pallavi Shroff, an Independent Director of the Company was nominated as Director on the Board of Apollo Tyres (Europe) B.V. & Apollo Tyres Cooperatief U.A, with effect from April 01, 2019.

Other requirements of Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 with regard to Corporate Governance for Subsidiary Companies have been complied with.

### a) Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.)

Apollo Tyres (NL) B.V. is a 100% subsidiary of Apollo Tyres (Europe) B.V. and ultimately held by Apollo Tyres Ltd, India, a listed multinational organisation, and a global tyre manufacturer.

The Company focuses on developing, manufacturing, marketing, sales and distribution of tyres across various categories including passenger car, truck & bus, agriculture, industrial vehicles and bicycles. The group sells passenger vehicle tyres under two brands, Vredestein and Apollo. The Company has its headquarters based at Amsterdam, Netherlands and production facility based in Enschede, Netherlands. Sales operations are managed by various subsidiary companies across Europe. The group's distribution network covers Europe, its products are also exported to various other countries.

### b) Apollo Tyres (Hungary) Kft.

Apollo Tyres (Hungary) Kft. is one of the latest manufacturing facility within Apollo Tyres group. The Company continued to ramp up its production capacity during the year for both passenger & commercial tyres production line.

During the FY22, the Company has made an additional investment in passenger vehicle tyres production line for debottlenecking and line balancing the capacity.

### c) Apollo Tyres Holdings (Singapore) Pte. Ltd.

The principal activities of the Company are of sourcing raw materials for Apollo Tyres manufacturing plants in India and Europe besides the provision of other strategic services to the group. 53% of the raw material procurement is for Natural Rubber for the year FY22. Major sourcing countries are Thailand, Indonesia. Company is also outsourcing finished goods for APMEA and Europe regions for certain specific tyre categories.

Global Supply Chain team based out of Singapore consolidates and manages Global Ocean Freight, Transport Optimization, Offtake activities, Supply Chain Cost Analysis, Mould Management and Certification Projects.

In addition, Corporate HR team, based out of Singapore, is managing and facilitating the effective deployment of HR systems and policies, in key areas such as Talent Acquisition, Rewards & Mobility, Talent Management and core HR processes, which are aligned to the business objectives of Apollo Tyres with the mandate of enhancing organizational effectiveness and human capital utilization.

#### **d) Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.)**

Apollo Tyres (Europe) B.V. incorporated in Netherlands is a Holding Company with two Subsidiaries, Apollo Tyres (NL) B.V. and Apollo Tyres (Hungary) Kft.

#### **e) Apollo Tyres Cooperatief U.A.**

Apollo Tyres Cooperatief U.A., a direct Subsidiary of the Company, was incorporated in the Netherlands. The Company is primarily acting as a Holding Company for all overseas operations.

### **DEPOSITS**

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

### **AUDITORS**

M/s. Walker Chandio & Co LLP, Chartered Accountants, Firm Registration No. 001076N/N500013 (the firm licenses audit software as well as audit methodology from Grant Thornton International Ltd), had been appointed as Statutory Auditors of your Company for a period of 5 years from FY18 to FY22 at the Annual General Meeting held on July 5, 2017. The present term of M/s. Walker Chandio & Co LLP, Chartered Accountants, would expire at the conclusion of the ensuing AGM.

The Board of Directors of your Company has proposed the appointment of M/s. S.R. Batliboi & Co. LLP (Firm Registration No. 301003E/E300005), Chartered Accountants (Member firm of Ernst & Young Global) as the Statutory Auditors of the Company to hold office from the conclusion of this 49<sup>th</sup> AGM until the conclusion of the 54<sup>th</sup> AGM.

The Company has received a letter from the Auditors confirming that they are eligible for appointment as Statutory Auditors of the Company under Section 139 of Companies Act, 2013 and meet the criteria for appointment specified in Section 141 of the Companies Act, 2013. Further, they have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).

### **AUDITORS' REPORT**

The report given by M/s. Walker Chandio & Co LLP, Chartered Accountants, Statutory Auditors on financial statements of the Company for FY22 is part of the Annual

Report. The comments on statement of accounts referred to in the report of the Auditors are self explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark.

During the year under review, the Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

### **COST AUDIT**

M/s. N.P. Gopalakrishnan & Co., Cost Accountants, were appointed with the approval of the Board to carry out the cost audit in respect of the Company's plants at Perambra (Kerala), Limda (Gujarat), Chennai (Tamil Nadu) and Chinnapandur (Andhra Pradesh) as well as Company's leased operated plant at Kalamassery (Kerala) for FY22.

Based on the recommendation of the Audit Committee, M/s. N.P. Gopalakrishnan & Co., Cost Accountants, being eligible, have also been appointed by the Board as the Cost Auditors for FY22 subject to Members' approval. The Company has received a letter from them to the effect that their re-appointment would be within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 141 of the Companies Act, 2013. The remuneration to be paid to M/s. N.P. Gopalakrishnan & Co., for FY23 is subject to ratification of the shareholders at the ensuing AGM.

Cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 are made and maintained by the Company.

### **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had re-appointed M/s. PI & Associates, Company Secretaries as Secretarial Auditor of the Company for FY22 to undertake secretarial audit of the Company.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. Secretarial Audit Report given by Secretarial Auditors is annexed with the report as Annexure I.

### **MEETINGS OF THE BOARD OF DIRECTORS**

A calendar of meetings is prepared and circulated in advance to the Directors. During the year, 5 (five) Board meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of all Board/ Committee meetings held are given in the Corporate Governance Report.

## AUDIT COMMITTEE

The details of the Audit Committee including its composition and terms of reference mentioned in the Corporate Governance Report form part of Board's Report.

The Board, during the year under review, had accepted all recommendations made to it by the Audit Committee.

## VIGIL MECHANISM

The Company has formulated a vigil mechanism through Whistle Blower Policy to deal with instances of unethical behaviour, actual or suspected, fraud or violation of Company's code of conduct or ethics policy. The details of the policy are explained in the Corporate Governance Report and also posted on the website of the Company.

## COMMITTEES OF BOARD

Pursuant to requirement under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted various Committees of Board such as Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Business Responsibility and Sustainability Committee, Risk Management Committee and Corporate Social Responsibility Committee. The details of composition and terms of reference of these Committees are mentioned in the Corporate Governance Report.

## SHARE CAPITAL

During the year under review the issued, subscribed and paid up Equity Share Capital of the Company was 635,100,946 equity shares of ₹ 1/- each. There was no change in the capital structure of the Company.

### a) Issue of equity shares with differential rights

Your Company has not issued any equity shares with differential rights during the year under review.

### b) Issue of sweat equity shares

Your Company has not issued any sweat equity shares during the year under review.

### c) Issue of employee stock options

Your Company has not issued any employee stock options during the year under review.

### d) Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees

Your Company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees during the year under review.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year under review, your Company has not given any loan or guarantee which is covered under the provisions of Section 186 of the Companies Act, 2013. However, details of investments made during the year are given under notes to the financial statements.

## RELATED PARTY TRANSACTIONS

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Suitable disclosures as required by the Indian Accounting Standards have been made in the notes to the financial statements. The policy on related party transactions as approved by the Board is uploaded on the Company's website.

## MANAGERIAL REMUNERATION

- a) The details required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in the Corporate Governance Report.
- b) During the year under review, Mr. Neeraj Kanwar (DIN: 00058951), Vice Chairman & Managing Director, also received remuneration from Apollo Tyres (UK) Holdings Ltd. (formerly Apollo Tyres (UK) Pvt. Ltd.), wholly owned Subsidiary of the Company.

## PARTICULARS OF EMPLOYEES

Particulars of employees as required in terms of the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Annexure A to the Board's Report.

## PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has in place a formal policy for prevention of sexual harassment of its employees at workplace and the Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company conduct, from time to time, the awareness sessions on prevention of sexual harassment at workplace for its employees.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Furthermore, there was no pending compliant/ case at the beginning as well as ending of financial year.

## HEALTH, SAFETY & ENVIRONMENT

As a firm commitment to Health, Safety and Environment (HSE), the year saw multiple initiatives to implement and

review the HSE plans and achieve the defined KPIs. For details on HSE, please refer to Management Discussion and Analysis Report.

## AWARDS AND RECOGNITIONS

In its constant quest for growth and excellence, your Company was honoured and recognised at various forums. The prominent Awards are listed below for your reference.

Name of the Award	Category	Awarded by
CSR Health Impact Awards 2021	Health CSR Project- Campaign of the Year Category	Integrated Health & Wellbeing Council
National Intellectual Property Award for the year 2020	Top Indian Co for designs & commercialisation	Indian Intellectual Property Office and Confederation of Indian Industry (CII)
Sustainable Development Goals (SDG) 2021		ET SDG Summit
CSR Times	Health category	CSR Times
All Kerala CSR Award 2020	Environment Sustainability	Kerala Chapter of National Institute of Personnel Management (NIPM)
National Convention on Quality Concepts (NCQC) 2021	Par Excellence award	QCFI
Good Design Award 2021		The Chicago Athenaeum Museum of Architecture and Design
India Risk Management Awards	Masters of Risk	CNBC TV18
Pitch CMO Awards	CMO Sustainability Award	

## RISK MANAGEMENT

The Company has constituted a Risk Management Committee (RMC) of the Board comprising of Directors and Senior Executives of the Company. The RMC has a Risk Management Charter and Policy that is intended to ensure that an effective Risk Management framework is established and implemented within the organisation. The Company has also formed Internal Risk Committees (IRCs), which review risk registers for Asia Pacific Middle East Africa (APMEA) Region including India, Europe region and Corporate Functions including United States (US) Region headed by President (APMEA), President (Europe) and Chief Financial Officer as Chairperson of the respective Committees. The IRCs review each risk on a quarterly basis and evaluate its impact and plans for mitigation. Further details about the RMC including its composition are mentioned in the Corporate Governance Report which forms part of the Board's Report.

## CORPORATE SOCIAL RESPONSIBILITY

The Company initiated its CSR activities way before the Companies Act, 2013 came in existence. The Company has a well-defined CSR policy which is made as per the requirement of Section 135 of the Companies Act, 2013. All the CSR activities are linked with National Development Goals and globally with the Sustainable Development Goals (SDGs).

The Company has a CSR team, which exclusively works towards achievement of CSR goals of the organisation. All the CSR activities of the Company are routed through a registered trust (Apollo Tyres Foundation) and functions with close monitoring and guidance of the CSR committee.

In the reporting year, the Company has undertaken various initiatives related to Healthcare Programme for Trucking Communities, Solid Waste Management and Sanitation Programme for Communities, Livelihood for Underprivileged Women, Biodiversity Conservation and Philanthropy Initiatives; focussing on eradicating hunger and poverty, preventive health and promoting education. Additionally, under Disaster Relief theme, the Company has also undertaken COVID-19 relief activities (mass vaccination, testing and helpline service) for its key stakeholder (trucking community).

Corporate Social Responsibility Report, pursuant to clause (o) of sub section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 including salient features mentioned under outline of Company's CSR policy forms part of this Report as Annexure II.

The CSR Policy of the Company is available on the website of the Company and the weblink is: - <https://corporate.apollotyres.com/investors/corporate-governance/?filter=CodesPolicies>

## BUSINESS RESPONSIBILITY REPORT

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, mandates the top 1000 Listed Companies by market capitalisation to include Business Responsibility Report ("BR Report") in their Annual Report.

Your Company falls under the top 500 Listed Companies by market capitalisation. Accordingly, a BR Report describing the initiatives taken by the Company from an environmental, social and governance perspective, forms part of this Report as Annexure III.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, are given in Annexure IV, forming part of this report.

## ANNUAL RETURN

As per Section 134(3)(a) of the Companies Act, 2013, the Annual Return referred to in Section 92(3) has been placed on the website of the Company [www.apollotyres.com](http://www.apollotyres.com) under the Investors Section (Refer link: <https://corporate.apollotyres.com/en-in/investors/corporate-governance/?filter=Others>).

## CORPORATE GOVERNANCE REPORT

Your Company always places major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organisation's corporate governance philosophy is directly linked to high performance.

The Company is committed to adopting and adhering to established world-class corporate governance practices. The Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large, and strives to serve their interests, resulting in creation of value and wealth for all stakeholders.

The compliance report on corporate governance and a certificate from M/s. Walker Chandiook & Co LLP, Chartered Accountants, Statutory Auditors of the Company, regarding compliance of the conditions of corporate governance, as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached herewith as Annexure V to this report.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134(3)(c) of the Companies Act, 2013, your Directors state that:

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## SECRETARIAL STANDARDS

During the year under review, your Company had complied with all the applicable Secretarial Standards.

## ACKNOWLEDGEMENT

Your Company's organisational culture upholds professionalism, integrity and continuous improvement across all functions, as well as efficient utilisation of the Company's resources for sustainable and profitable growth.

Your Directors wish to place on record their appreciation to the respective State Governments of Kerala, Gujarat, Haryana, Tamil Nadu and Andhra Pradesh and the National Governments of India, Netherlands and Hungary. We also thank our customers, business partners, members, bankers and other stakeholders for their continued support during the year. We place on record our appreciation for the contribution made by all employees towards the growth of your Company.

For and on behalf of the Board of Directors

**ONKAR KANWAR**

Place: Gurugram  
Date: May 12, 2022

Chairman & Managing Director  
DIN: 00058921

# ANNEXURE -I

## FORM NO. MR - 3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Apollo Tyres Limited**  
(L25111KL1972PLC002449)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Apollo Tyres Limited (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and as applicable to the Company, in the manner and subject to the reporting made hereinafter:

Subject to the limitations given in this report, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (*Not applicable to the Company during the audit period*)
- e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- f. The Securities and Exchange Board of India (Registrars and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client; (*Not applicable*)
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (*Not applicable to the Company during the audit period*)
- h. The Securities and Exchange Board of India (Buy - back of Securities) Regulations, 2018; (*Not applicable to the Company during the audit period*)
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) We further report that with respect to the compliance of the below mentioned laws, we have relied on the representations made by the Company and its officers for system and mechanism framed by the Company for compliances under other the following Specific laws applicable as mentioned hereunder:

1. Pneumatic Tyres and Tubes for Automotive Vehicles (Quality Control), Order, 2009;
2. Bureau of India Standards Act, 1986 and the Rules made thereunder as applicable to Tyre Industry; and
3. Rubber Act, 1947 and Rubber Rules, 1955.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as ('Listing Regulations')).

Subject to the limitations given in this report, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc.

**We further report that:**

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iii) Majority decision were carried through and there were no instances where any director expressing any dissenting views.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the following event(s) occurred during the year which have a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc. referred to above.

- i. On February 2, 2022, the Competition Commission of India (CCI) imposed a penalty of ₹ 425.53 crores on the Company and a penalty of ₹ 49,54,135 and ₹ 13,52,697 on two office bearers of the Company, namely Mr. Neeraj Kanwar, Vice Chairman and Managing Director of the Company and Mr. Satish Sharma, Executive Director of the Company respectively for alleged contravention of the provisions of Section 3 of the Competition Act, 2002. The Company has proceeded with an appeal against the judgement seeking a stay on the aforementioned order of CCI before the National Company Law Appellate Tribunal (NCLAT). The said matter is pending before the NCLAT.
- ii. The Company issued Commercial Paper amounting to ₹ 2,000 million to ICICI Bank Limited on June 16, 2021 and Commercial Paper amounting to ₹ 2,500 million to Yes Bank Limited on January 18, 2022 and the said Commercial Paper were listed on the debt segment of National Stock Exchange (NSE) only.

For **PI & Associates**  
Company Secretaries

**Ankit Singhi**

Partner

FCS No.: 11685

C P No.: 16274

PR: 1498/2021

UDIN: F011685D000294781

Date: May 12, 2022

Place: New Delhi

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

## Annexure A

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

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Compliance Certificate/Management Representation Letter about the compliance of laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **PI & Associates**  
Company Secretaries

Date: May 12, 2022  
Place: New Delhi

**Ankit Singhi**  
Partner  
FCS No.: 11685  
C P No.: 16274  
PR: 1498/2021  
UDIN: F011685D000294781

# Annual Report on Corporate Social Responsibility (CSR) Activities

## 1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

Care for society is one of the core Apollo values and all the CSR initiatives are designed to cater to the need of the community. The CSR initiatives have a clear roadmap that follows the overall vision of the function. The organisation's vision is to create value for its stakeholders by bringing about positive change in their lives through our intervention. All the CSR initiatives are implanted through Apollo Tyres Foundation (registered in 2008) and aligned to national and international development goals.

The organisation has categorised its CSR initiatives in 4 core thematic areas:

1. Healthcare for Trucking Community
2. Solid Waste Management and Sanitation
3. Livelihood for Underprivileged Rural Women
4. Biodiversity Conservation

In addition to the core themes the organisation also conducts some local initiatives in 25-30 km radius of the manufacturing locations. These are Watershed Management and Renewable Energy Proliferation projects.

In continuation to our efforts to serve our stakeholders, to combat COVID the organisation rolled out mass vaccination and testing drive for the trucking community and over 1.41 lakh people were vaccinated.

CSR policy of Apollo Tyres Ltd covers all the activities which are mentioned in Schedule VII of Companies Act, 2013 but does not include the following:

1. Activities undertaken in pursuance of normal course of business of the Company
2. Activities that benefit only the employees of the Company and their families
3. Contribution to any political party

## Programmes proposed to be undertaken

Following are the proposed initiatives which will be undertaken by the Company:

- 1) **Healthcare Programme for trucking community** at 32 transshipment locations in 19 States (ongoing. Incorporate more health services at the locations and explore partnership for greater outreach).
- 2) **Solid Waste Management and Sanitation Programme (SPARSH)** in different transshipment hubs and communities around manufacturing locations (ongoing). Introduction of up-cycle products from waste. End of Life Tyre Playgrounds at selected locations and toilet with bathing facility initiative to promote safe sanitation at Chennai, Baroda and Chinnapanduru locations.
- 3) **Livelihood for underprivileged women:** Income generation trainings, linking more number of beneficiaries with financial institution and local market for business development and involving more number of women in livelihood activities. Expansion at Baroda, Kottayam, Chennai and AP location (ongoing).
- 4) **Biodiversity Conservation:** Mangrove conservation project at Kannur, Kerala. Conservation and maintenance of biodiversity parks in Kochi, Tree plantation with objective of carbon sequestration at Tamil Nadu (ongoing), biogas project at Baroda location (ongoing). Miyawaki afforestation project at Gujarat (initiated in FY22).
- 5) **Local Initiatives:** Watershed management project such as pond conservation and drinking water project around manufacturing units. Support to Anganwadi Centres etc.
- 6) **Philanthropic Initiatives:** Sponsorship of education of underprivileged girls in Dehradun, Uttarakhand (Himjyoti School), ration support to homeless people (DAVO Ngo) and others during the year.

## 2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Onkar Kanwar	Chairman	2	2
2	Mr. Sunam Sarkar	Member of the Committee	2	2
3	Gen. Bikram Singh (Retd.)	Member of the Committee	2	2
4	Ms. Anjali Bansal*	Member of the Committee	2	1

\*ceased to be a Member of the Committee w.e.f. September 13, 2021

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

<https://corporate.apollotyres.com/sustainability-and-ethics/policy-and-documents/>

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Yes, the company has conducted impact assessment studies for its three programmes.

- Healthcare for Trucking Community
- Livelihood for rural women
- Water Conservation (Eco restoration of ponds and access to potable water) **Please refer to Annexure A**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ Million)	Amount required to be set-off for the financial year, if any (in ₹ Million)
1	FY-1 (31-03-2021)	0.00	0.00
2	FY-2 (31-03-2020)	0.00	0.00
3	FY-3 (31-03-2019)	0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

6. Average net profit of the Company as per Section 135(5): ₹ **8194.25 Million**
7. (a) Two percent of average net profit of the Company as per Section 135(5): ₹ **163.89 Million**
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: ₹ **23.28 Million**
- (c) Amount required to be set off for the financial year, if any: **NIL**
- (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ **187.17 Million**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ Million)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (in ₹ Million)	Date of Transfer	Name of the Fund	Amount	Date of transfer
187.17	0.00			0.00	

8. (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	State	District	Project Duration	Amount allocated for the project (in ₹ Million)	Amount spent in the current financial year (in ₹ Million)	Amount transferred to unspent CSR account for the project as per Section 135(6) (in ₹ Million)	Mode of implementation - Direct (Yes/No)	Name	CSR Registration Number
1.	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Delhi	North West Delhi	24	25.77	12.76	0.00	No	Apollo Tyres Foundation	CSR00000622
2.	TB awareness & prevention programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Delhi	North West Delhi	24	2.14	1.69	0.00	No	Apollo Tyres Foundation	CSR00000622
3.	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Uttar Pradesh	Kanpur	24	5.21	2.57	0.00	No	Jan Kalyan Maha Samiti	CSR00000412
4.	Skill building & income generation project for women	Livelihood Enhancement Projects	No	Gujarat	Vadodara	24	10.03	6.26	0.00	No	Apollo Tyres Foundation	CSR00000622
<b>Total</b>							<b>43.15</b>	<b>23.28</b>	<b>0.00</b>			

8. (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Amount spent for the project (in ₹ Million)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Clean My Village	Ensuring Environmental Sustainability, Ecological Balance	No	Tamil Nadu	Kancheepuram	5.99	No	Apollo Tyres Foundation	CSR00000622
2	Development and maintenance of End of Life Tyres (ELT) play structure in Govt. schools	Ensuring Environmental Sustainability, Ecological Balance	No	Tamil Nadu	Kancheepuram	0.48	No	Apollo Tyres Foundation	CSR00000622
3	Development and Maintenance of Park	Ensuring Environmental Sustainability, Ecological Balance	No	Tamil Nadu	Kancheepuram	0.75	No	Apollo Tyres Foundation	CSR00000622
4	Tree Plantation Project (Afforestation)	Ensuring Environmental Sustainability, Ecological Balance	No	Tamil Nadu	Kancheepuram	4.18	No	Apollo Tyres Foundation	CSR00000622
5	Pond Restoration and Maintenance Project	Ensuring Environmental Sustainability, Ecological Balance	No	Gujarat	Vadodara	0.33	No	Apollo Tyres Foundation	CSR00000622
6	Clean My Village	Ensuring Environmental Sustainability, Ecological Balance	No	Gujarat	Vadodara	3.97	No	Apollo Tyres Foundation	CSR00000622
7	Development and maintenance of End of Life Tyres (ELT) play structure in Govt. schools	Ensuring Environmental Sustainability, Ecological Balance	No	Gujarat	Vadodara	0.58	No	Apollo Tyres Foundation	CSR00000622
8	Tree Plantation Project (Afforestation)	Ensuring Environmental Sustainability, Ecological Balance	No	Gujarat	Vadodara	2.26	No	Apollo Tyres Foundation	CSR00000622
9	Clean My Transport Nagar	Ensuring Environmental Sustainability, Ecological Balance	No	Uttar Pradesh	Agra	1.47	No	Apollo Tyres Foundation	CSR00000622
10	Clean My Transport Nagar	Ensuring Environmental Sustainability, Ecological Balance	No	Delhi	North West Delhi	3.00	No	Apollo Tyres Foundation	CSR00000622

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹ Million)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
11	Clean My Transport Nagar	Ensuring Environmental Sustainability, Ecological Balance	No	Uttar Pradesh	Kanpur	1.51	No	Apollo Tyres Foundation	CSR00000622
12	Clean My Village	Ensuring Environmental Sustainability, Ecological Balance	No	Andhra Pradesh	Chittoor	1.33	No	Apollo Tyres Foundation	CSR00000622
13	Development and maintenance of End of Life Tyres (ELT) play structure in Govt. schools	Ensuring Environmental Sustainability, Ecological Balance	No	Andhra Pradesh	Chittoor	0.45	No	Apollo Tyres Foundation	CSR00000622
14	Pond Restoration and Maintenance Project	Ensuring Environmental Sustainability, Ecological Balance	No	Andhra Pradesh	Chittoor	0.53	No	Apollo Tyres Foundation	CSR00000622
15	Clean My Village	Ensuring Environmental Sustainability, Ecological Balance	No	Kerala	Thrissur	5.15	No	Apollo Tyres Foundation	CSR00000622
16	Pond Restoration and Maintenance Project	Ensuring Environmental Sustainability, Ecological Balance	No	Kerala	Thrissur	0.40	No	Apollo Tyres Foundation	CSR00000622
17	Mangrove Project	Ensuring Environmental Sustainability, Ecological Balance	No	Kerala	Kannur	3.32	No	Apollo Tyres Foundation	CSR00000622
18	Maintenance of Community Park at Chalakudy & Kodakara Panchayat	Ensuring Environmental Sustainability, Ecological Balance	No	Kerala	Thrissur	2.35	No	Apollo Tyres Foundation	CSR00000622
19	Blanket distribution to under privileged rural community	Eradication Hunger, Poverty & Malnutrition	No	Delhi	North West Delhi	0.50	No	Taru Foundation	CSR00003420
20	Monthly Ration support for the under privileged people	Eradication Hunger, Poverty & Malnutrition	No	Delhi	North West Delhi	0.55	No	Taru Foundation	CSR00003420
21	Skill building & income generation project for women	Livelihood Enhancement Projects	No	Tamil Nadu	Kancheepuram	1.05	No	Apollo Tyres Foundation	CSR00000622

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹ Million)	(7) Mode of implementation – Direct (Yes/No)	(8) Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
22	Improved Farming Practices for community	Livelihood Enhancement Projects	No	Tamil Nadu	Kancheepuram	1.56	No	Apollo Tyres Foundation	CSR00000622
23	Skill building & income generation project for women	Livelihood Enhancement Projects	No	Andhra Pradesh	Chittoor	0.48	No	Apollo Tyres Foundation	CSR00000622
24	Skill building & income generation project for women	Livelihood Enhancement Projects	No	Kerala	Kottayam	3.99	No	Apollo Tyres Foundation	CSR00000622
25	Drinking Water Project in Mathur Village	Making Available Safe Drinking Water	No	Tamil Nadu	Kancheepuram	1.90	No	Apollo Tyres Foundation	CSR00000622
26	Drinking Water Project in Chittoor District	Making Available Safe Drinking Water	No	Andhra Pradesh	Chittoor	0.20	No	Apollo Tyres Foundation	CSR00000622
27	Computer literacy to Govt. School children	Promoting Education	No	Tamil Nadu	Kancheepuram	0.05	No	Apollo Tyres Foundation	CSR00000622
28	Computer literacy for Govt. School children	Promoting Education	No	Andhra Pradesh	Chittoor	0.20	No	Apollo Tyres Foundation	CSR00000622
29	Education support for 23 under privileged girl child	Promoting Education	No	Uttarakhand	Dehradun	1.73	No	Taru Foundation	CSR00003420
30	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Tripura	West Tripura	2.04	No	Apollo Tyres Foundation	CSR00000622
31	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Uttar Pradesh	Agra	2.38	No	Apollo Tyres Foundation	CSR00000622
32	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Karnataka	Bangalore	2.46	No	Apollo Tyres Foundation	CSR00000622
33	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Tamil Nadu	Chennai	1.91	No	Apollo Tyres Foundation	CSR00000622
34	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Madhya Pradesh	Chhindwara	1.94	No	Apollo Tyres Foundation	CSR00000622

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Amount spent for the project (in ₹ Million)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
35	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Orrisa	Cuttack	2.01	No	Apollo Tyres Foundation	CSR00000622
36	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Delhi	North West Delhi	4.48	No	Apollo Tyres Foundation	CSR00000622
37	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	West Bengal	Murshidabad	1.03	No	Apollo Tyres Foundation	CSR00000622
38	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Assam	Kamrup	2.65	No	Apollo Tyres Foundation	CSR00000622
39	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Madhya Pradesh	Gwalior	1.99	No	Apollo Tyres Foundation	CSR00000622
40	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Telangana	Hyderabad	2.37	No	Apollo Tyres Foundation	CSR00000622
41	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Madhya Pradesh	Indore	2.16	No	Apollo Tyres Foundation	CSR00000622
42	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Rajasthan	Jaipur	2.00	No	Apollo Tyres Foundation	CSR00000622
43	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Punjab	Jalandhar	2.30	No	Apollo Tyres Foundation	CSR00000622
44	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Rajasthan	Jodhpur	1.88	No	Apollo Tyres Foundation	CSR00000622
45	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Telangana	Karimnagar	1.80	No	Apollo Tyres Foundation	CSR00000622

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				State	District			Name	CSR Registration Number
46	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	West Bengal	Howrah	1.33	No	Apollo Tyres Foundation	CSR00000622
47	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Punjab	Ludhiana	1.83	No	Apollo Tyres Foundation	CSR00000622
48	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Maharashtra	Thane	2.41	No	Apollo Tyres Foundation	CSR00000622
49	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Gujarat	Kachchh	2.18	No	Apollo Tyres Foundation	CSR00000622
50	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Maharashtra	Nagpur	2.04	No	Apollo Tyres Foundation	CSR00000622
51	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Himachal Pradesh	Solan	1.05	No	Apollo Tyres Foundation	CSR00000622
52	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Tamil Nadu	Namakkal	1.79	No	Apollo Tyres Foundation	CSR00000622
53	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Bihar	Patna	2.18	No	Apollo Tyres Foundation	CSR00000622
54	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Maharashtra	Pune	2.07	No	Apollo Tyres Foundation	CSR00000622
55	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Chhattisgarh	Raipur	1.88	No	Apollo Tyres Foundation	CSR00000622
56	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Jharkhand	Sindri	0.80	No	Apollo Tyres Foundation	CSR00000622

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Amount spent for the project (in ₹ Million)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
57	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Gujarat	Surat	1.06	No	Apollo Tyres Foundation	CSR00000622
58	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Uttar Pradesh	Varanasi	1.83	No	Apollo Tyres Foundation	CSR00000622
59	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Andhra Pradesh	Krishna	2.53	No	Apollo Tyres Foundation	CSR00000622
60	Sanitation project-Toilet construction & Geo Tagging	Promoting Sanitation	No	Tamil Nadu	Kancheepuram	4.45	No	Apollo Tyres Foundation	CSR00000622
61	Sanitation project-Toilet construction & Geo Tagging	Promoting Sanitation	No	Gujarat	Vadodara	0.83	No	Apollo Tyres Foundation	CSR00000622
62	Sanitation project-Toilet construction & Geo Tagging	Promoting Sanitation	No	Andhra Pradesh	Chittoor	3.18	No	Apollo Tyres Foundation	CSR00000622
63	Renovation/ Maintenance Limda Cremation ground	Rural Development	No	Gujarat	Vadodara	1.86	No	Apollo Tyres Foundation	CSR00000622
64	Support to Department of Fire Services	Rural Development	No	Andhra Pradesh	Chittoor	0.68	No	Apollo Tyres Foundation	CSR00000622
65	COVID-19 Relief Work	Disaster management, including relief, rehabilitation and reconstruction activities	No	Delhi	North West Delhi	6.12	No	Apollo Tyres Foundation	CSR00000622
66	COVID-19 Relief Work	Disaster management, including relief, rehabilitation and reconstruction activities	No	Tamil Nadu	Kancheepuram	0.17	No	Apollo Tyres Foundation	CSR00000622
67	COVID-19 Relief Work	Disaster management, including relief, rehabilitation and reconstruction activities	No	Andhra Pradesh	Chittoor	2.06	No	Apollo Tyres Foundation	CSR00000622

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹ Million)	(7) Mode of implementation – Direct (Yes/No)	(8) Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
68	COVID-19 Relief Work	Disaster management, including relief, rehabilitation and reconstruction activities	No	Kerala	Thrissur	1.05	No	Apollo Tyres Foundation	CSR00000622
69	COVID-19 Relief Work	Disaster management, including relief, rehabilitation and reconstruction activities	No	Tamil Nadu	Chennai	20.00	Yes		
<b>TOTAL</b>						<b>151.04</b>			

8. (d) Amount spent in Administrative Overheads: ₹ 8.91 Million
8. (e) Amount spent on Impact Assessment, if applicable: ₹ 3.94 Million
8. (f) Total Amount spent for the financial year (8b+8c+8d+8e): ₹ 187.17 Million
8. (g) Excess amount for set off, if any: NIL
9. (a) Details of unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹ Million)	Amount spent in the reporting Financial Year (in ₹ Million)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial year (in ₹ Million)
				Name of the Fund	Amount (in ₹ Million)	Date of transfer	
1.	FY-1 (31-03-2021)	23.28	23.28				0.00
2.	FY-2 (31-03-2020)	0.00	0.00				0.00
3.	FY-3 (31-03-2019)	0.00	0.00				0.00
<b>TOTAL</b>		<b>23.28</b>	<b>23.28</b>				<b>0.00</b>

9. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration. (in Months)	Total amount allocated for the project (in ₹ Million)	Amount spent on the project in the reporting Financial Year (in ₹ Million)	Cumulative amount spent at the end of reporting Financial Year. (in ₹ Million)	Status of the project- Completed /Ongoing
1.	FY31.03.2021_1	Healthcare programme for trucking community	2021	24	25.77	12.76	25.77	Completed
2.	FY31.03.2021_2	TB awareness & prevention programme for trucking community	2021	24	2.14	1.69	2.14	Completed
3.	FY31.03.2021_3	Healthcare programme for trucking community	2021	24	5.21	2.57	5.21	Completed
4.	FY31.03.2021_4	Skill building & income generation project for women	2021	24	10.03	6.26	10.03	Completed
<b>TOTAL</b>					<b>43.15</b>	<b>23.28</b>	<b>43.15</b>	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) Date of creation or acquisition of the capital asset(s): **January 1, 2022**

(b) Amount of CSR spent for creation or acquisition of capital asset: **₹ 14,029.00**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

Entity/ Public Authority/ Beneficiary Name	Address
Apollo Tyres Foundation	BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042

(d) Provide details of capital asset(s) created or acquired (including complete address and location of the capital asset)

Details of Capital Assets	Address and location of the capital asset
1 Microtek UPS with battery	BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042

11. Specify the reason(s), if the Company has failed to spend 2% of the average net profit as per Section 135 (5):

Not applicable

Place: Gurugram  
Date : May 12, 2022

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

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

# Executive Summary

## 1. IMPACT ASSESSMENT STUDY: HEALTHCARE FOR TRUCKING COMMUNITY

### Scope

- Impact assessment study was conducted at 12 Apollo Healthcare centers across states where around 3048 truckers & 633 Allied population beneficiaries, and 646 non-beneficiaries were interviewed.
- In addition to this, 24 Focused Group Discussions (FGDs) and 22 Individual Detailed Interviews (IDIs) were conducted with beneficiaries and different stakeholders respectively.

### Key Findings

#### Outreach Services

- ATF Peer educators have been among top 3 sources of information about HIV/AIDS & STI after friends/relatives and Peers/other community members for truckers.
- Awareness about HIV/AIDS transmission and preventive measures among beneficiaries is at least 3-4 percentage points higher than non-beneficiaries and more than 80% beneficiaries are aware about all the important transmission and preventive measures.
- Inconsistent condom use, infected blood transfusions and use of infected needles has been reported by >90% respondents as the main source of HIV/AIDS transmission.

#### Inter Personal Communication (IPC)

- 44 percent beneficiaries reported that they personally met with an ATF worker. Of these beneficiaries, close to 30% met with an ATF worker quite frequently.
- Around 50% to 70% beneficiaries mentioned that in IPC sessions/meetings Diabetes, HIV/AIDS/STI, Vision Care, TB, Blood Pressure (BP) were discussed.
- 98% respondents found IPC sessions to be useful.
- Around 44% reported seen any Information Education and Communication (IEC) activity and Camp (43%), hoarding poster (15%) and Public Announcement (12%) have been perceived as most effective methods of IEC.

### VISION CARE

- Hazy or blurred vision (51%), Severe Sudden eye pain (44%), and recurrent pain in and around the eye (37%) have been reported as the main symptoms of vision related problems. They visited ATF Healthcare center for these vision related problems.
- 48% beneficiaries think that truckers should wear sunglasses when there is excessive sun light while close to 20% think that it's not necessary to wear sunglasses.
- 79% Beneficiaries reported eyes checkup, 63% reported receiving of eye drops, 45% reported receiving of medicine and 41% reported receiving of spectacles when they visited ATF Healthcare Center (ATFHCC)/Eye Camp for their vision related problem.
- 66% beneficiaries satisfied to a large extent and 31 percent beneficiaries satisfied to some extent from the services provided by ATF related to vision care.

### TUBERCULOSIS (TB)

**Awareness about preventive measures of TB is relatively low among truckers especially about some of the key measures and they are as given below:**

- Over 50% of truckers think that TB infected person can spit anywhere.
- >75% of truckers think that a person infected with TB does not need to complete his/her course of treatment if feeling better before completion of the course.
- 55% of truckers think that If somebody is Coughing for three or more weeks continuously, he/she should not be worried as it is common when season changes.
- 60% of truckers think that If someone is diagnosed with TB, he/she should not reveal this to anybody at home or outside

**Truckers are well aware about following TB preventive measures:**

- >85% of truckers are aware that if the TB bacteria are put into the air when a person with TB disease of the lungs or throat coughs, speaks, or sings. People nearby may breathe in these bacteria and become infected.

- Close to 90% of truckers were aware that TB infected person should cover his/her mouth with a cloth while coughing.
- Over 85% of truckers were aware that one should not take liquor or consume tobacco if diagnosed with TB.
- Around 12-13% of truckers experienced continuous cough for more than 2 weeks and 42 of these truckers went for Sputum test.

## DIABETES & HYPERTENSION

- A fairly good percentage of truckers (60%-70%) were aware about early signs of diabetes such as frequent urination, fatigue/tiredness.
- 60%-70% of truckers mentioned that consuming a balanced diet and daily physical exercise can control diabetes to large extent.
- 29% of truckers' beneficiaries and 48% allied beneficiaries informed that they tested diabetes positive. About 60% of truckers and allied beneficiaries got their diabetes test done in ATF Healthcare Center.
- Around 9% of truckers BP was found low and another 10% reported that their BP was high when last checked by the doctor. These figures for allied beneficiaries are 14% and 15% respectively.
- About 50% of truckers and 60% allied beneficiaries got their BP measured in ATF Healthcare center.

## ATF HEALTHCARE CENTER

Findings based on actual patients and mystery client experience and observations

- The overall registration process is satisfactory in the clinics. However, 1 out of 5 persons visiting a health clinic is not satisfied from the behaviour of staff. 1 out of 10 persons was not asked to wear a mask before meeting and 1 out of 6 did not sanitize their hands before meeting.
- 63% (71% in case of mystery clients) of the respondents reported presence of somebody other than the Doctor.
- 29% of the mystery clients reported that doctor was not wearing gloves during examination.
- 9% (20% in case of mystery clients) of the respondents reported that they were not examined physically.
- All the respondents got their doubts cleared from the doctor.
- 98% of the respondents confirmed that doctor was wearing mask and gloves at the time of examination.

- 17% of the respondents who went to Optometrist were not examined physically.
- 23% (39% in case of mystery clients) respondents mentioned that Optometrist was not wearing gloves during the examination.
- 8% of the respondents mentioned that the Optometrist did not wear mask during the examination.
- In 65% of the cases, the Optometrist / Doctor recommended spectacles.
- 23% (44% in case of mystery clients) of the respondents were not told the result of the blood test by the Pharmacist.
- 22% of the mystery clients were found overall behavior of Optometrist was not good.
- 15% of the mystery clients confirmed that pharmacist was not wearing gloves while gave medicine.

## BRAND PERCEPTION

- 64% of the truckers confirmed that they are using Apollo Tyres currently.
- 22% of truckers mentioned that they shifted to Apollo Tyres while they were using tyre of some other brand earlier.
- Durability has been mentioned by 70% of the truckers as the reason of shifting from an earlier brand to Apollo Tyres.
- Top three perception about Apollo brand by Truckers beneficiaries are:
  - High priced premium product
  - Cares for its customer
  - Superior quality products
- Top three perceptions about Apollo brand by Truckers Non-beneficiaries are
  - High priced premium product
  - Superior quality products
  - Cares for its customer
- Close to 80% of truckers think that ATF is doing work to benefit the common person.
- Top 3 Perceived probable reasons for which Apollo is providing healthcare services to truckers
  - Company wants to improve the health conditions of the truckers
  - Company cares for its customers
  - Company wants to add value to the lives of its customer

## 2. IMPACT ASSESSMENT STUDY- LIVELIHOOD FOR RURAL WOMEN

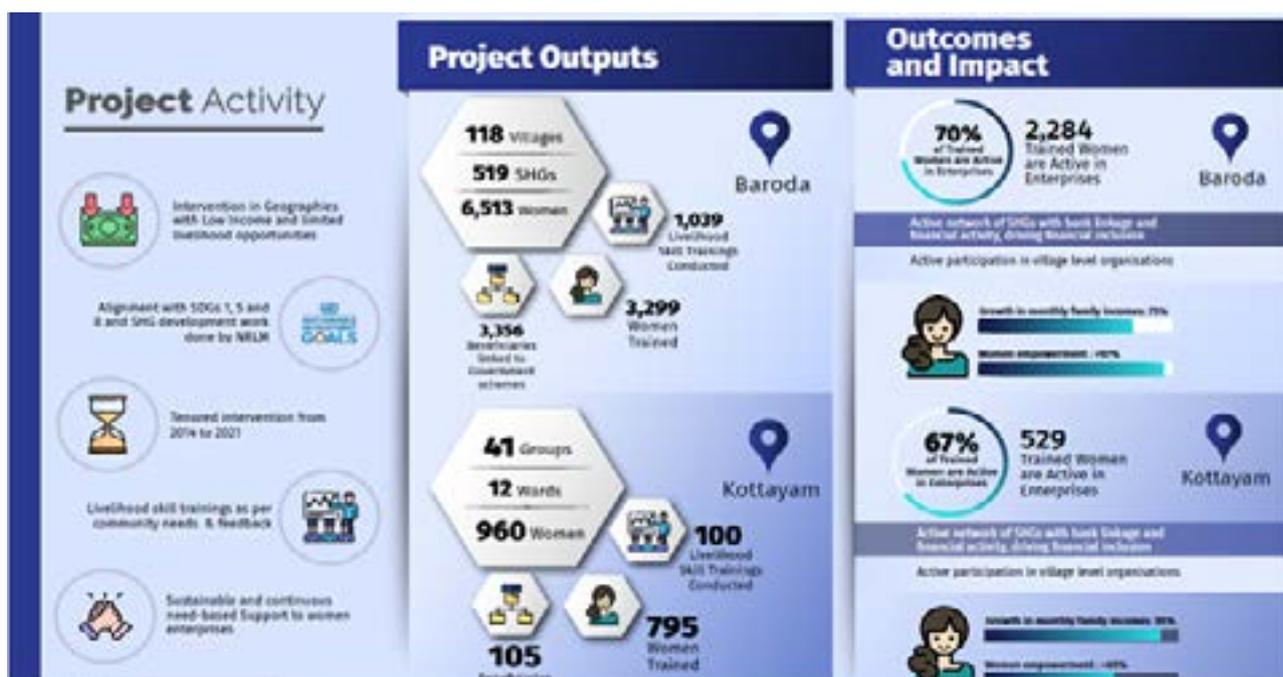
**Scope:** Impact assessment survey was conducted in the 118 villages of Waghodiya Panchayat, Baroda district, Gujarat and 7 wards of Vazhoor panchayat Kottayam district, Kerala. A purposive sampling approach was employed to conduct in-depth interviews with beneficiaries on the economic and social impact of the programme.

A cluster sampling approach was employed for large scale quantitative interviews for data collection, analyzing the impact, perception, and attitude of the beneficiaries about the programme.

### Sample details:

Sample Count	Baroda	Kottayam
Focused Group Discussion (FGDs)	6	2
In-depth Interviews	11	7
Quantitative Data Collection	680	76

### Project Output and Impact



### Key Findings

- Nearly 70% of trained women are involved in income generation activities and earn over ₹ 5,000 a month
- Nearly 80% of the beneficiaries believed that they participate in decision making matters

- According to some, RO water is used regularly by around 50% of households but around 80% of the households would be using it at some point or the other.
- Nearly 52% of the survey participants bought RO water around twice a week while 38% brought it thrice a week.
- The median value of expenditure on RO water as elicited through the survey has been worked out to be ₹ 55 per household per month.
- The qualitative investigations also revealed that most households who consumed RO water recharged for around ₹ 50 per month.
- Against this, the median spends per month on purchasing drinking water before the RO plant was installed was ₹ 225.
- The reason why some people continue to buy canned water when it is obviously far more expensive than RO water is that ₹ 30 per can gets you doorstep delivery, unlike RO water. The 20 litres weight is

## 3. IMPACT ASSESSMENT STUDY: POTABLE DRINKING WATER (RO) PROJECT

### Scope:

The study was conducted at Oragadam village which is located in Thiruporur block, Chennai. The 2011 census estimates that Oragadam has a total of 516 households. Using the Cochran formula for small sample sizes, the requisite number of households to be sampled from Oragadam works out to be 81.

### KEY FINDINGS

- All households who consumed RO water also consumed tank water supplied through the piped network.

considerable, and therefore fetching RO water is almost exclusively done by the adult male of the household.

- Almost every user agreed that the RO water quality is good or very good and 2 in 3 respondents held the opinion that the quality of RO water was consistently good throughout the year. There were some quality issues with the taste when the plant was undergoing maintenance.
- In the 12 months prior to RO plant being installed, there were 4 households (out of the 81) who have had at least one member falling sick due to a stomach infection caused by water borne bacteria. On the other hand, after they had started to consume RO water, not a single adult or child (out of the 273 members in the 81 sampled households) have fallen ill due to water borne infection.
- Two out of three people totally agree to the fact that prior to the establishment of the RO plant, the drinking water that was available in the village was not very healthy for human consumption.
- They also agree that in comparison to the RO water, buying canned water was an expensive affair.
- However, a lot of the people had validated the opinion that the transport of 20L of water from the RO plant to home is a difficult proposition.
- The common opinion also seems to have been the taste and smell of the RO water is definitely better than water from other sources.
- Villagers did agree to the fact that the RO plant has ensured that villagers have access to safe drinking water throughout the year.
- A little over half of the survey participants totally agreed that the amount that the house will be spending to buy RO water is value for money while the rest.
- Two out of three respondents admitted that they are extremely grateful to Apollo Tyres for establishing this auto plant in the village.

#### 4. IMPACT ASSESSMENT STUDY: ECO RESTORATION OF PONDS & WATER BODIES

##### Scope:

The impact assessment study was conducted at three ponds, viz. Nalla Thani Kulam and Sennan Thangal ponds in Sennakkuppam village and Gangai Amman Koil Kulam in Eraiyur village, Sriperambatur taluka Kancheepuram District. Out of 1,650 households the sample was collected from 227 households following the Cochran formula for small size sampling.

#### KEY FINDINGS

- In current times, close to four out of five survey participants believed that over the next few years, they expect the ground water to be recharged, bringing up the water table in the village wells.
- Close to three out of four survey participants believed that the pathway around their pond offer an ideal spot where villagers, especially the elderly, can take a leisurely walk.
- A little over half the respondents believed that the area around their pond has lot of greenery and shade, nice place to spend some time during the summer months.
- About 45% of the survey participants believed that their pond has become an important part of festivities surrounding the temple that sits on its banks.
- In the Gangai Amman Koil Kulam pond, the local villagers could confirm that these days, cattle and goat can drink the water, and they are given bath there as well.
- Sewage water no longer gets into these ponds and local villagers don't dump their waste there anymore.
- In Nalla Thani Kulum, the excess rain water this year got stored in this pond as it has been dug deeper, so there was no flooding of water in the village.
- In Sennakkuppam, women don't use the pond water because even though the water in the pond has been cleaned, on the other side of the pond there are houses on rent and the waste from the kitchen and the wastewater from washing clothes gets mixed in this water.
- In Eraiyur, there was no maintenance of the ponds, because the panchayat does not have the finances for extra facilities like cleaning the ponds, having tower lights, etc.
- Across both villages, it was confirmed that because of the ponds, there has been an increase in the ground water, and for houses around the pond, there is more water in their wells.
- The water in the Eraiyur pond is used for fishing because the water from the pond is connected to the lake so the fish from the lake come into the pond. The water from the pond is also used for construction purposes using a motor pump. Water is pumped out for watering the plants as well.
- In Eraiyur, current the panchayat president was of the opinion that as they have made a one-time expenditure of ₹ 40,000 to clean the surrounding area of the pond, it would have been better if Apollo had appointed one person to maintain the pond and the area around it.

- While in Eraiyur, the local residents don't usually use the pond water, in Sennakkuppam village, the FGD participants could confirm that the pond water is also used for the temple cleaning and doing the abishek of the temple idols.
- In all three projects, Apollo has built a compound and pathway around the pond and have planted many plants, herbs, and flowering plants in an effort to improve biodiversity.
- In Eraiyur, villagers are very interested in maintaining the pond, but they collectively feel it is the panchayats responsibility, but they will all help if the panchayat seeks it.
- In Sennakkuppam, it is different. Here, the villager are already questioning others if they dirty the

ponds. People have been appointed to maintain the pond, for its upkeep and to ensure that it doesn't relapse to the same sad state.

- Across all three ponds, the absolute majority of the participants agreed that the storage capacity of the ponds have increased because of the dredging exercises and now it holds much more rain water.
- Regarding impact on ground water, the past and present panchayat president confirmed that in summer also the borewell water level in the areas around the pond is maintained, which earlier used to become drastically low.
- For drinking, people prefer to use piped water supply which gives them water at their doorstep and of acceptable quality.

## Business Responsibility Report (BRR)

Business Responsibility Report of the Company for the financial year ended on March 31, 2022, pursuant to Regulation 34 (2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:-

Section A: General Information about the Company		
1	Corporate Identity Number (CIN) of the Company	L25111KL1972PLC002449
2	Name of the Company	APOLLO TYRES LTD
3	Registered address	3rd Floor, Areekal Mansion, Panampilly Nagar, Kochi- 682036 (Kerala)
4	Website	apolloytyres.com
5	E-mail id	investors@apolloytyres.com
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Tyres manufacturing
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Tyres, Tubes and Flaps
9	Total number of locations where business activity is undertaken by the Company	148 locations
A	Number of International Locations (Provide details of major 5)	Apollo has business activity undertaken in about 112 international locations. The major ones are Netherlands, Hungary, Middle East, Thailand, Singapore and North America. The Company has manufacturing units in Netherlands and Hungary.
B	Number of National Locations	Apollo has business activity carried out in about 36 domestic locations. The manufacturing units are located at Gujarat (Limda), Kerala (Perambra and Kalamassery), Tamil Nadu (SIPCOT Industrial Growth Centre Oragadam, Chennai) and Andhra Pradesh (Chinnapandur).
10	Markets served by the Company – Local/State/ National/International	National and International

### Section B: Financial Details of the Company

- Paid up Capital (INR) ₹ 635.10 million
- Total Turnover (INR) ₹ 143,068 million
- Total profit after taxes (INR) ₹ 2,611 million
- Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) ₹ 187.17 million
- List of activities in which expenditure in 4 above has been incurred:-

During the year under review, the Company has carried out activities primarily related to promoting preventive healthcare, ensuring environmental sustainability, livelihood enhancement projects, rural development projects, promoting education and eradication of hunger, poverty & malnutrition.

### Section C: Other Details

- Does the Company have any Subsidiary Company/ Companies?**  
Yes
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such Subsidiary Company(s):**  
At present, the BR initiatives have been undertaken at parent Company level.
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] :-**  
At present, the BR initiatives have been undertaken at Company level.

## Section D: BR Information

### 1. Details of Director/Directors responsible for BR

#### a) Details of Director/ Director responsible for implementation of the BR Policy/ Policies.

- i. DIN Number :- 00058859
- ii. Name :- Mr. Sunam Sarkar
- iii. Designation :- Director

#### b) Details of the BR head

S. No.	Particular	Details
1	DIN Number (if applicable)	NA
2	Name	Ms. Seema Thapar
3	Designation	Company Secretary
4	Telephone number	0124-2721000
5	E-mail ID	<a href="mailto:investors@apolotyres.com">investors@apolotyres.com</a>

### LIST OF PRINCIPLES

**Principle 1:** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

**Principle 2:** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

**Principle 3:** Businesses should promote the wellbeing of all employees.

**Principle 4:** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

**Principle 5:** Businesses should respect and promote human rights.

**Principle 6:** Business should respect, protect, and make efforts to restore the environment.

**Principle 7:** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

**Principle 8:** Businesses should support inclusive growth and equitable development.

**Principle 9:** Businesses should engage with and provide value to their customers and consumers in a responsible manner.

### 2 a. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. Do you have a policy /policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2. Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Does the policy conform to any national /international standards? If yes, specify? (50 words) <sup>(1)</sup>	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director? <sup>(2)</sup>	Y	Y	Y	Y	Y	Y	Y	Y	Y
5. Does the Company have a specified Committee of the Board/ Director/Official to oversee the implementation of the policy? <sup>(3)</sup>	Y	Y	Y	Y	Y	Y	Y	Y	Y
6. Indicate the link for the policy to be viewed online? <sup>(4)</sup>	Y	Y	Y	Y	Y	Y	Y	Y	Y
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8. Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9. Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10. Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency	Y	Y	Y	Y	Y	Y	Y	Y	Y

<sup>(1)</sup>The policies are in compliance with applicable national/international laws, rules, regulations, guidelines and standards. The policies are in conformance to the spirit of international standards like ISO 9001, ISO 14001 and ISO 45001.

<sup>(2)</sup>As per Company practice the policies that are approved by the Board are posted on the website of the Company [www.apolotyres.com](http://www.apolotyres.com).

<sup>(3)</sup>The Business Responsibility(BR) Committee shall oversee the implementation of the Policies.

<sup>(4)</sup><https://corporate.apolotyres.com/en-in/investors/corporate-governance/?filter=CodesPolicies>.

**2 b. If the answer to S. No.1 against any principle, is 'No', please explain why: (Tick upto 2 options)-Not Applicable**

	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. The Company has not understood the Principles									
2. The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3. The Company does not have financial or manpower resources available for the task									
4. It is planned to be done within next 6 months									
5. It is planned to be done within the next 1 year									
6. Any other reason (please specify)									

**3. Governance related to BR**

**(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The Business Responsibility (BR) Committee reviews the business performance annually and as and when required.

**(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Yes, the Company publishes Annual Sustainability Report as a part of the Annual Report. From FY17, the BR Report was also part of the Annual Report. Both BR and Sustainability Report are published on the website <https://corporate.apollotyres.com/en-in/responsibility/policies-documents>.

Conduct explicitly guides our people on ethical dealings with external stakeholders.

**2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

During the year under review, there were no cases on the violation of the Company's Code of Conduct. During the past financial year, 15 Shareholders Complaints were received and no complaint was pending as on March 31, 2022. All the Complaints were attended and resolved to the satisfaction of the shareholders.

**Principle 2:**

**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

At Apollo Tyres, we follow state of the art and efficient design & manufacturing practices. Our Passenger Car Radial Tyres (PCR) and Truck / Bus Radial Tyres (TBR) are designed to meet all the international norms and are duly certified accordingly. In support to Electric vehicle (EV) development in India and to address the requirement from this fast-emerging market, EV tyre line with a low rolling resistance coefficient (RRc), reduced noise, and better comfort without sacrificing structural durability and wear performance was developed. Several sizes are now available in the EV portfolio to cater to the demand of the upcoming EV vehicle. Under the "Make in India" for the world programme the UHP series Ultrac Vorti I and Ultrac I product lines introduced in the Premium Luxury category, which now have 26 and 14 sizes respectively for high end cars, and earlier these sizes were being imported. To overcome the infra challenges in India, new innovative bead design was developed for TBR to improve the robustness of the tubeless tyre bead area. For the first time in India, developed and established the steel belt design in Back-Hoe radial tyres to improve tyre life, fuel efficiency and driving comfort. In the Premium motor cycle segment, Company has successfully developed and launched the "Centaur" tyres under "Vredestein" brand focusing on Sport Touring (Centaur ST) and Super Sport (Centaur

**Section E: Principle-Wise Performance**

**Principle 1:**

**1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

The Company has designed a global "Code of Conduct Policy" ("Code") to conduct its business with honesty and integrity and in compliance with all applicable legal and regulatory requirements. This Code sets out the fundamental standards to be followed by all employees of the Company including Associates, Subsidiaries and Joint Ventures.

The Code is also to act as a deterrent from unethical doings and to promote ethical values and is the manifestation of the Company's commitment to successful operation of the Company's business in the best interest of the shareholders, creditors, employees, other business associates and stakeholders.

The Company has rolled out Code of Conduct mandatory online training for all the employees. The Code of

NS) applications with the successful 0° Steel Radial Technology which covers a wide range of motorcycles from 500 to 1200cc. Prior to the launch of these tyres, customers had to wait for several months to get the tyres because of non-availability of them locally and due to import restrictions. These developments led to huge foreign exchange savings for the country. These tyres also comply with all the relevant International Regulations such as, Conflict Minerals, REACH, PAH, TSCA, ROHS, California Prop65 etc. and also aligned to the requirements of ELV norms. Weight reduction journey of Apollo continues to reduce Raw Material consumption per tyre and also the energy consumption for processing to produce the tyre. Increased Recycled material usage effectively supported the sustainability drive practised by the Company. Further to this, our Company ensured consistent supply of tyres in the market to fill the vacuum created due to import restriction of tyres and thereby saving huge foreign exchange for the Country.

**2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

**a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**

Comparative Details for FY22 against reference of FY21 on

- a. Water consumption per kg of product [Litre/Kg]: PCR & TBR at Chennai manufacturing location dropped by 14% while steam consumption (kg/kg) dropped by 6.8 and 6.5 % for TBR and PCR respectively.
- b. Progressive reduction of tyre weight in PCR up to ~8%: by redesigning the product which directly corresponds to reduction in the consumption of Hydrocarbon and thereby resulting in the reduced carbon footprint per tyre.
- c. Silica based tyre production for PCR category was ~ 28% which thus reduced the consumption of carbon black, a fossil fuel based reinforcing agent.
- d. As step towards sustainability, Recycled material usage increased by 6.5% and expanded to many components beyond Inner liner to reduce virgin material consumption, Introduction of 5phr reclaim rubber in Non-critical compounds itself gave us cost reduction up to ₹ 42 million.
- e. Through various VAVE initiatives such as Use of alternate resins in silica compounds, introduction of cost effective Low RRC sidewall compound, construction fine tuning, ~ ₹ 285 million saved.
- f. TBR tyre mass reduction done up to 2.4% in tubeless category.

- g. Huge savings in energy was obtained by 1 minute reduction in cure cycle of TBR tyres.
- h. 'Smart Cure Technology' concept introduced in TBR based on real time heat input and termination of cure cycle and achieve right Cure level for all tyres.
- i. 'Split curing Technology' introduced in PCLT for uniform cure for all parts of tyre and improve performance.
- j. 'Dynamic Drain Technology' introduced in PCLT to reduce cycle time and save energy.
- k. New Curing technology developed to eliminate PCI in OTR tyres. This would save costs in terms of energy, CAPEX and Space.
- l. 'Single Pass Mixing Technology' concept developed for PCR/TBR Inner liner & PCR Sidewall compounds and reduced cycle time & saving energy.
- m. 'Early Detection system established for TBR Tyre by measuring Green tyre uniformity which resulted in cured tyre rejection.

**b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

The rolling resistance of the PCR tyres is reduced through the year from 7.0 Kg/T to 6.3 Kg/T. This translates into reduction of rolling loss and reduced fuel consumption without compromising any other performance.

Usage of efficient techniques for Retreading of Truck tyres to provide Extended life cycle of the tyre body material to 2-3 times, thus avoiding the need for frequent replacement. Retreading is also a green process as it extends the usage life of the tyre significantly.

Improvement of wear life for all tyres ensures improved re-use of the non-consumable part of tyres to a longer period.

**3. Does the Company have procedures in place for sustainable sourcing (including transportation)?**

**a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

In line with the Company's overall sustainability vision, Apollo Tyres continuously works towards achieving sustainability across its raw material value chain. We aim to achieve so, by adopting sustainable procurement policies and by ensuring the partner's participation in promoting sustainable practices in our core processes.

As a part of Apollo Tyres' Sustainable Procurement framework, the Company has laid-down – Sustainable Procurement Vision, Sustainable Procurement Policy, and Sustainable Procurement Guiding Principles, which are integrated into the overall procurement procedures and the key decision-making activities.

Apollo expects its Business Partners to show concern for social and environmental responsibility as they conduct their business, and it is the Company's endeavour to work jointly with its partners to promote and encourage compliance with Apollo Partnership Pact (APP). The Company is working with the Global Platform for Sustainable Natural Rubber [GPSNR] promoted by the World Business Council on Sustainable Development [WBCSD] to contribute to the improvement of Socio-Economic factors in Natural Rubber supply chain. Natural rubber partners supplying to Apollo Tyres are expected to comply with the Apollo Sustainable Natural Rubber policy (ASNRP). Till date, more than 80% of the upstream partners have signed the APP and ASNRP to pledge their compliance.

Apollo Tyres mandates from its partners to develop their environmental systems in compliance with the requirements of ISO14001 and to get their systems certified by an accredited third party. Currently, most of its partners are ISO 14001 certified, complying with local government laws and regulations. The Company is continuously working on optimizing transportation, logistics and reusable packaging to reduce carbon footprint, promote circular economy and other environmental impacts.

**4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

**a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company promotes a policy towards encouraging local procurement from domestic partners in the respective regions as a purchasing principle and in this regard, all other things being equal, the organisation prefers domestic partners because of benefits like proximity to Apollo's plants, lower transit lead times, need to maintain lower inventory and lower carbon footprint.

The Company has initiated and established natural rubber dirt-free centres and provides employment opportunities to the local communities. The Company has also been providing training to the employees in aforesaid centres to enhance their skills and capability. These centres have employed women and trained them in NR grading and provided them livelihood. In this way, the domestic NR is made suitable for critical applications and helps the Company in import substitution.

The Company has initiated partnership program with select partners for training and development activities towards promotion of safe work culture and practices at the partner plant premises. The Company aims to develop & upgrade its raw material partners by educating and encouraging them on measures, to reduce and ultimately eliminate incidents at its workplace which may lead to human injury and illness. The partner assessment for safety culture at workplace includes on-site assessment of the selected partners in a region for safety culture at workplace.

**5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, > 10%). Also, provide details thereof, in about 50 words or so.**

Yes, Apollo encourages its Raw Material partners towards reduce, reuse, and recycle concepts in their operations and expects that its partners to run their manufacturing operations in a manner that is protective of the environment.

In this regard, overall recycled rubber usage stands at 1.3 % against total raw material usage in various applications of tyre manufacturing.

**Principle 3:**

**1 Please Indicate Total number of employees- 15,979**

**2 Please indicate the Total number of employees hired on temporary / contractual / casual basis- 7,965**

**3 Please indicate the Number of permanent women employees- 97**

**4 Please indicate the Number of permanent employees with disabilities- 18**

**5 Do you have an employee association that is recognized by management?**

Yes

**6. What percentage of your permanent employees is members of this recognized employee association?**

Limda - 70%

Perambra -92%

Chennai - 77%

Kalamassery-93%

Chinnapanduru - NA

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

No complaints relating to child labour, forced labour, involuntary labour, sexual harassment has been received during the last financial year ending on March 31, 2022.

**8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?**

**Chennai**

Permanent employees	75%
Permanent women employees	100%
Casual/Temporary/Contractual Employees	100%
Employees with Disabilities	NA

**Chinnapanduru**

Permanent employees	85%
Permanent women employees	78%
Casual/Temporary/Contractual Employees	97%
Employees with Disabilities	NA

**Limda**

Permanent employees	72%
Permanent women employees	Not counted
Casual/Temporary/Contractual Employees	97%
Employees with Disabilities	NA

**Kalamassery**

Permanent employees	80%
Permanent women employees	100%
Casual/Temporary/Contractual Employees	57%
Employees with Disabilities	100%

**Perambra**

Permanent employees	70%
Permanent women employees	55%
Casual/Temporary/Contractual Employees	92%
Employees with Disabilities	NA

**Principle 4:**

**1. Has the Company mapped its internal and external stakeholders? Yes/No**

Yes. The organisation has mapped its key stakeholders across its value chain. These are stated below -

- a. Employees
- b. Customers (OEM & Replacement)
- c. Dealers & suppliers
- d. Investors & analysts
- e. Shareholders
- f. Regulatory bodies and
- g. Community

Continuous engagement with the stakeholder groups is crucial to the organisation's growth and sustainability.

**2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.**

Out of the identified stakeholder groups, rural women, and children from the communities around manufacturing locations were identified in vulnerable and marginalised stakeholder category. Another group in this category are the trucking community - which comprise of a significant part amongst the customers. Due to their nomadic lifestyle, they are vulnerable to suffer from healthcare issues.

**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

Yes, Sustainability and social responsibility are inherent component of organisation's corporate strategy. The CSR initiatives focuses on improving the quality of life of stakeholders by bringing about positive change in their lives.

The strategy is to enable inclusive growth by building on key partnerships and linkages to optimise the existing resources in reaching out to more people. Some of the Company's community engagement programmes addressing these marginalised groups is listed below -

1. Healthcare for Trucking Community
2. Sanitation Programme at manufacturing & transshipment locations
3. Livelihood and income generation for underprivileged rural women
4. Purified RO drinking water initiative for communities around Chennai and Chinnapanduru locations

In addition, the organisation also undertakes philanthropic work through Taru Foundation like -

- 1) Supporting education for underprivileged girls
- 2) Monthly ration support to the underprivileged
- 3) Education support for differently abled children
- 4) Medicine support to underprivileged section

**Principle 5:**

**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Respect for human rights is fundamental part of the DNA of the Company and the communities in which we operate. In our Company and across our system, we are committed to ensure that people are treated with dignity and respect. The Company promote the awareness and realization of human rights across our value chain and among our stakeholders.

The Company believe in core Apollo Value of "One Family" where every individual is respected and is treated equally, regardless of caste, color, nationality etc.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

The Company did not receive any Stakeholder Complaint during the past financial year regarding Human Rights.

**Principle 6:**

**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

Policy related to principle 6 is limited to parent Company. Chennai, Kalamassery, Limda, AP & Perambra manufacturing units are ISO 14001:2015 certified. Environmental indicators are part of vendor assessment criteria for upstream suppliers.

**2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

Yes, the Company has strategies to address global environmental issues. The Company also has a sustainability statement that covers the aspects of environment conservation and community development. Various sustainability initiatives taken by the Company includes energy management, waste reduction, emission reduction, water management, and biodiversity conservation. Below are the projects to mitigate climate change:-

**a) Tree plantation and Livelihood Generation Programme**

Our afforestation project has a two pronged focus on carbon sequestration and livelihood generation for farmers in the water starved areas of Tamil Nadu. This project is being carried out in Kanchipuram, Tiruvannamalai and Tiruvallur districts in Tamil Nadu. Through this project, a total of 350,000 trees have been planted since the inception of this project in 2013. We have been able to sequester over 30,000 tonnes of CO<sub>2</sub> from the plantation project. Additionally, the company has also invested in a Miyawaki Forest development in Gujarat with 10,000 trees in the reporting period which shall further help in mitigating climate change impact.

**b) Renewable Energy: Use of Biogas**

Within the Climate change mitigation strategy, we are promoting the use of biogas in villages near our manufacturing location in Limda, Gujarat. Apart from providing an eco-friendly alternative source of energy, the programme offers additional benefits of organic manure from slurry, utilisation of cow dung

(which is a solid waste) and savings accruing from fuel replacement from LPG to Biogas. We provide individual household type Biogas units. Since the inception of the project in 2016, a total of 230 units have been installed.

**3. Does the Company identify and assess potential environmental risks? Y/N**

Yes, environmental aspects & impacts are assessed and reviewed periodically by the management. Organization strive to minimize impact on environment by developing environmental improvement programs and operational control procedures. Chennai, Kalamassery, Limda, Chinnapanduru & Perambra manufacturing units certified for ISO14001: 2015 and environmental risk and controls reviewed by third party auditors.

**4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

No

**5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.**

Yes, combining effective strategy with practical measures is key to achieving successful energy management. We focus on reducing our energy consumption by being energy efficient. There are several initiatives that were undertaken during the reporting period in the Indian Operations which resulted in energy savings of 31,555 GJ. We are continuously making efforts to achieve energy efficiency through improvements in our process design, conversion and retrofitting of equipment and use of energy efficient equipments.

**6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Emissions concentration across all our operating units are under prescribed limit.

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

There were no show cause notices issued or pending in the reporting period.

**Principle 7:**

**1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.**

Yes. The Company actively engages with Industry bodies. The major bodies in which the Company is a member are listed below -

- a. Confederation of Indian Industry [CII]
- b. Federation of Indian Chamber of Commerce and Industry [FICCI]
- c. PHD Chamber of Commerce and Industry
- d. Society of Indian Automobile Manufacturers
- e. Automotive Tyre Manufacturers' Association

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Yes, the Company through various Industry associations, participates in advocating matters for the advancement of the Industry and Public Good. As a member of the Automotive Tyre Manufacturers Association (ATMA), the Company strives to be an active participant in policy making process of ATMA and also is a frequent participant in the meetings with the Government departments to discuss the challenges being faced by the industry in the ever-changing economic environment. Mr. Satish Sharma, President (APMEA) and Whole-time Director of the Company, is the Chairman of ATMA.

The Company has a Public and Regulatory Policy to ensure that the highest standards of business conduct are followed while engaging with aforesaid Trade associations/ Industry bodies.

**Principle 8:**

**1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

Care for society is one of the core Apollo values and all the CSR initiatives are designed to cater to the need of the community. The CSR initiatives have a clear roadmap that follows the overall vision of the function. The organisation's vision is to create value for its stakeholders by bringing about positive change in their lives through our intervention.

The CSR initiatives are implemented through the registered trust, Apollo Tyres Foundation (ATF). All the CSR initiatives of the organisation are aligned with National Goals and Sustainable Development Goals (SDGs).

Apart from mapping the core initiatives with SDGs, the organisation emphasises on linking the initiative with SDG 17: Partnership for Goals. Our focus is on collaborating with like-minded organisations for project implementation and a wider outreach. The CSR strategy at Apollo Tyres dovetails with the organisation's vision of creating a future where economic growth, social development, environmental conservation, and national interest go the distance together.

The organisation has categorised its CSR initiatives in 4 core thematic areas:

1. Healthcare for Trucking Community
2. Solid Waste Management and Sanitation
3. Livelihood for Underprivileged Rural Women
4. Biodiversity Conservation

In addition to the core themes the organisation also conducts some local initiatives in 25-30 km radius of the manufacturing locations. These are Watershed Management and Renewable Energy Proliferation projects.

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

True to the core value of One Family, Apollo Tyres is committed towards providing relief support to communities during the crisis. Under disaster relief work, Apollo Tyres organised mass vaccination and testing facility for trucking community to fight against COVID-19. The organisation has vaccinated over 1.41 lakh beneficiaries.

**Core CSR Initiatives:**

**1. Healthcare Programme for Trucking Community**

Linked with Sustainable Development Goal (SDG) Goal-3, Good health and wellbeing; preventive healthcare initiative for the trucking community has been one of the major programme run by the organisation. Under this initiative the organisation operates 32 Healthcare Centres (HCC) in the transshipment hubs spanning across 19 Indian states. The programme provides healthcare services such as Prevention and Awareness of HIV-AIDS, Vision Care, Integration of Tuberculosis, and other non-Communicable diseases such as Diabetes, High Blood Pressure, General Treatment facility, Tele medicine consultation facilities.

**Services Under Healthcare Programme:**

**a. HIV-AIDS Awareness and Prevention service:**

The trucking community is highly vulnerable to HIV/AIDS due to harsh working conditions, socio-economic inequality, and behavioural issues. To address these deep-rooted problems, Apollo Tyres initiated an HIV awareness and prevention programme in 2001. The programme offers counselling, spreads awareness through Peer Educators and provides testing support through Integrated Counselling and Testing Centres (ICTC), in partnership with State AIDS Control Society (SACS).

Peer Educators (PE) or volunteers play an important role in awareness creation and beneficiary referrals to healthcare centres due to their local connect. So far, the programme has mobilised about 1,021 active PEs across its locations.

In the reporting year total 35,238 people got tested for HIV. Under this service HIV positive cases are also linked with Anit Retroviral Therapy (ART) facility.

#### **b. Vision Care**

Vision impairment is one of the most common yet neglected issues amongst the trucking community. Apollo Tyres has partnered with Essilor India Pvt Ltd (2.5 NVG) to provide regular and affordable vision check-ups for the trucking community under its vision-care programme. Periodic eye check-up camps, spectacles distribution to the affected and cataract treatment at nearby hospitals are also facilitated at transshipment hubs. On World Sight Day, 15 days vision screening campaign was organised for trucking community at all 32 HCCs. Over 22,000 people got their sight tested during the campaign and over 7,700 people received spectacles free of cost.

In the reporting period, total 66,814 people were tested for vision screening out of which 37,407 people were identified with refractive error issues. Over 11,800 people received spectacles.

#### **c. Awareness on Tuberculosis (TB)**

Tuberculosis (TB) in India is a major health problem. Apollo Tyres Foundation (ATF) embarked on TB awareness initiative in 2017 for its Trucking Community, given it is coinfection with HIV. To eliminate TB by 2025, ATF joined 'Jan Andolan' for TB-Free India to contribute to India's National TB Elimination Programme. Company's ethos is to formulate partnerships in the programmes. The Company has partnered with USAID, The Union and Central TB Division in creating awareness related to TB. ATF also joined Corporate TB Pledge (CTP) - a joint initiative of Government of India and USAID and mobilised 15 Corporates to join CTP through our Partnership for Action against Tuberculosis campaigns.

The programme offers various services like sputum testing, regular awareness sessions to prevent TB, linking beneficiaries who are found positive with Directly Observed Treatment (DOTs). To provide testing facility at the doorstep, ATF has opened 13 Designated Microscopy Centres at transshipment hub locations.

To support the government agenda of TB elimination, ATF has organised 4th edition of virtual event Partnership for Action against Tuberculosis (PACT). Apart from this, a 15 day long campaign Jan Andolan for TB-Free India was also organised at 32 transshipment hub locations.

The objective of the campaign has been to boost identification of cases of TB amongst Trucking Community.

Our TB elimination initiative was lauded by the Ministry of Health and Family Welfare for its outstanding and exclusive work with the Trucking Community.

In the reporting year total 9,672 people were tested for TB, out of which 337 people were identified as TB positive. 80% of the TB positive cases were linked with DOTs treatment facility.

#### **d. Non-Communicable Diseases**

Due to lifestyle issues, lack of awareness and access to medical facilities, trucking community is more vulnerable and at higher risk of getting non-communicable diseases. Based on the everyday findings from the Outpatient Department (OPD) at the HCC, Diabetes and High Blood Pressure were identified as two significant health risks that challenge truck drivers. In order to support the drivers, the Company added testing for both the risks. At all the HCCs, diabetes screening and blood pressure check-ups are conducted.

In the reporting year around 48,453 people were screened for diabetes and 48,256 people got the blood pressure checked.

#### **e. General Healthcare and Treatment**

Additionally, there are various other generic treatments provided for seasonal cough, flu, stomach dysentery, and other basic First Aid features. The main focus is to have a one-stop health service for beneficiaries.

#### **f. Oral Hygiene**

Poor hygiene, especially bad oral hygiene, is a big problem amongst the trucking community. During the field engagement with truck drivers, it was observed that majority of them were indulged in addiction like tobacco consumption and other substance abuse due to various reasons. Poor dental health increases risk of a bacterial infection in the blood stream, which can affect the heart valves.

To address this problem, ATF started an integrated health camp focusing on oral hygiene, in the year 2019. The main aim of the service was to generate awareness on oral health and screening for oral cancer.

#### **g. Mobile Medical Units**

In addition to static HCCs, mobile medical units have also been introduced to enhance outreach and ensure service at doorstep. Mobile Medical Unit - the 'Apollo Tyres Health Care Express' caters to the truckers and allied population

and provides its services at the highways, district borders and trucking halt points. The mobile medical units are currently operational at four locations - Delhi, Namakkal (Tamil Nadu), Cuttack (Odisha) and Chhindwara (Madhya Pradesh). It provides basic health check services, in addition to the treatment of STIs, vision screening, providing spectacles at subsidised cost, blood group and blood sugar tests and screening for HIV. The main objective of this service is to provide doorstep healthcare facility for the trucking community.

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

#### **h. Tele Medicine Consultation**

During COVID-19 outbreak physical healthcare services were impacted worldwide. In June 2019, ATF initiated Tele Medicine Consultation facility, in partnership with Telerad Foundation, for the trucking community, across all 32 healthcare centres. Under this service, patients could avail online doctor consultation and collect medicines from the centres. In the reporting period total 12,313 people have availed Tele medicine consultation facility.

#### **i. Saarthi COVID Helpline**

A COVID consultation helpline service named Saarthi was launched for Trucker Drivers, Helpers, and their family members. It is a joint initiative of Apollo Tyres and Ashok Leyland. The helpline enabled telephonic consultation for COVID treatment, vaccination-related inquiry, and general healthcare service support. Over 2000 people were benefitted from helpline facility.

#### **j. COVID Testing & Vaccination Support**

To control the COVID spread, ATF started the screening of COVID-19 at its healthcare centres. This service is aligned with the Government's programme and the frontline staff of the programme play a crucial role in containing the pandemic.

In the reporting period, ATF has organised vaccination drives for trucking community in partnership with the local government. Over 1.41 lakh beneficiaries were vaccinated so far.

Total 13,14,767 people were outreached through healthcare initiative out of which 2,51,257 people have availed the treatment facility through 32 healthcare centres.

## **2. Solid Waste Management and Sanitation**

Aligning with National development agenda and contributing to "Swatch Bharat Abhiyan," Apollo

Tyres launched SPARSH a solid waste management and safe sanitation initiative. ATF has been running various projects on solid waste management and safe sanitation with the objective to promote a healthy and sustainable lifestyle amongst the local communities. This initiative is linked with SDG 6: Clean Water & Sanitation, SDG 11: Sustainable Cities and Communities, SDG 12: Responsible Consumption and Production.

#### **SPARSH stands for**

**S** – Segregate Waste; **P** – Practise Composting; **A** – Awareness Generation; **R** – Reduce, Reuse & Recycle; **S** – Safe Sanitation; **H** – Hygiene for All.

Clean My Transport Nagar (CMTN), Clean My Village (CMV), Sanitation Management and End of Life Tyre Playgrounds are four initiatives under this theme.

The CMTN & CMV programmes are aimed at improving waste management and cleanliness conditions at identified transshipment hubs and villages around manufacturing locations. Basic services like door-to-door waste collection, cleaning of roads/lanes, segregation of waste, composting from wet waste and awareness generation are provided to the community under this initiative.

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

Hygiene and sanitation are the basic rights of every individual and imperative for a healthy environment too. To meet this cause and ensuring safe sanitation facility, ATF has undertaken sanitation management project in line with the Clean India campaign. The project has greatly helped communities, especially around our manufacturing locations. The Company has constructed toilet with bathing facilities for underprivileged communities around the manufacturing locations and community toilets in transshipment hubs at Delhi and Agra locations.

In the reporting period 181 new toilets with bathing facilities were constructed at Chennai, Chinnapanduru and Baroda locations, benefitting 724 people. Total 24,000 people have availed the services at the community toilets at Agra and Delhi transshipment hubs.

#### **End of Life Tyres Playground (ELT)**

The Company constantly looks for methods and processes that help in greening the product life cycle. Recycling-used tyres is a critical part of this strategy. The End-of-Life Tyres Playgrounds (ELT) is one such application where the Company converts waste tyres into exciting play structures.

In the reporting year 2 End of Life Tyre playgrounds were constructed at Baroda and Chinnapanduru locations. Total 210 waste tyres were used; this shall benefit 985 children.

### 3. Livelihood for Underprivileged Women

The organisation is committed towards working on the targets of Sustainable Development Goal (SDGs) **SDG 1: Poverty, SDG 5-Gender Equality** as it not only supports gender equality, but also helps in the upliftment of the underprivileged communities.

This initiative is also aligned with **SDG8: Decent work and Economic Growth** as it provides income generation opportunity to become self-reliant. To achieve this, the organisation has initiated a Livelihood generation programme, **Navya** for rural women. Programme Navya, targets to improve the situation of the women by providing them income generation opportunities at their doorsteps and sensitising them on gender rights to address the problems related to discrimination.

Women are trained in agriculture and non-agriculture activities. Trained women are further linked with financial institutions for credit support and market linkages are also established to promote the business of the women. Navya also provides linkages with various government schemes.

To promote the livelihood of the rural women, ATF organised the 4th edition of Ek Naam..., a social media campaign and Symposium 2022 (a virtual event). To celebrate International Women's Day ATF felicitated and recognised the outstanding work of 8 Change Agents who are making a difference in their families and also working as catalysts for change.

A fireside chat was also organised with Mrs. Vita Dani, Co-owner of Chennaiyan FC, who shared her journey of breaking the bias in the sports arena. The event was organised in partnership with Alliance Française de Delhi and CSRBOX.

In the reporting year total 792 women were outreached through Self Help Group (SHGs) formation and strengthening activity. Total 2,734 women were trained in different livelihood activities and 986 women started income generation activities to support their families. Total 5,302 women were linked with various Government welfare schemes and have availed benefits worth ₹ 3.70 crores.

### 4. Biodiversity Conservation

Biodiversity Conservation is a global initiative for Apollo Tyres, wherein projects are undertaken in India, Hungary and Netherlands. In India, Mangrove conservation is a key initiative, wherein a Mangrove Conservation project is being implemented in Kannur district, Kerala.

Under this initiative awareness sessions are conducted for the local community for mangrove conservation. For mangrove restoration and conservation periodic plantation activities are conducted in different panchayats of Kannur district.

As part of inculcating environmental awareness, an Environment and Nature Quiz competition was conducted virtually in October 2021, the grand finale of which was held in December. 22 colleges from Andhra Pradesh, Karnataka, Kerala, Maharashtra, and Tamil Nadu participated in the event.

Total 1,230 people were outreached through various awareness activities under Mangrove Conservation initiative.

Climate change poses a fundamental threat to the places, species and people's livelihoods. To address the issue of climate change mitigation afforestation projects are initiated at Tamil Nadu and Gujarat locations. The project also engages with the farmers for providing agriculture interventions for soil productivity enhancement.

Under the afforestation initiative, at Tamil Nadu 3.5 lakh teak trees are being maintained. As per estimates, 24,500 tonnes of CO<sub>2</sub> have been sequestered till March 2022. The project also engages with the farmers for providing agriculture interventions for soil productivity enhancement.

In the reporting year, ATF has initiated Miyawaki afforestation project in Gujarat region. Total 25,000 Sqft. area of land is utilised and 10,000 trees of 84 varieties are planted.

To promote use of renewable energy, the organisation has also installed 231 household biogas units in various villages of Waghodia Taluka, Vadodara. Through this initiative beneficiaries have not only contributed in addressing the climate change but also saved costs associated with purchasing of conventional fuel. Through this project beneficiaries have received additional benefits such as they utilise the slurry of the biogas as compost in their agriculture field which has helped in improving the soil quality and cost saving on fertiliser purchase. Women get more time to spend with family or engage themselves in income generation activity, as they do not need to go out for collecting firewood.

**Local Initiatives:** In addition to the above four core themes, within the radius of 25-30 kms of our manufacturing locations, various local initiatives are implemented which are based on local stakeholder requirement. Details of such initiatives are:

*Access to purified drinking water: The organisation has set up a RO drinking water plant at Orgadam village, Chennai Tamil Nadu and Chinnapanduru village, Chittoor Andhra Pradesh. Through this initiative beneficiaries have access to purified*

drinking water. Around 1,550 households and over 6,200 people are availing the drinking water facility.

*Eco restoration of Ponds: The organisation has mapped the condition of water bodies through research study in the communities around the manufacturing locations. Based on the findings the organisation has restored few ponds in Chennai, Limda and Perambra locations. The main objective of this initiative is improving the condition of water bodies, restoring and enhancing the aqua biodiversity. Total 14 ponds, covering area of 3 lakh square feet have been restored by the organisation through pond deepening, desilting, bunding and maintenance activity. Around 1,62,888 people have availed the benefits from the restored ponds*

*At Baroda location, the organisation also supports government's pond deepening initiative under Sujalaf Sufalam Jal Sanchay Abhiyan (SSJA). SSJA is a Gujarat state government's water conservation programme to deepen water bodies in the state before monsoon. The scheme focuses on deepening of lakes, pond, check dams and rivers by removing silt through public participation utilising the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).*

*Under this same scheme, ATF has restored 1 pond in Jambuvada village of Waghodia block in Baroda district. This pond deepening project has provided livelihood opportunity to 6,000 beneficiaries under the MGNREGA scheme.*

*Support to Anganwadis: At Racherla panchayat Chittoor Andhra Pradesh, an Anganwadi was damaged and local panchayat approached the Company for its renovation. Due to damage infrastructure, there were issues like water leakage, seepage etc were reported. The organisation renovated the Anaganwadi centre. Now the Anaganwadi centre' kids have safe access to the centre, especially during monsoon season and pregnant women will get their supplements without any damage and shortage.*

**Philanthropic Initiatives:** The organisation also supports the underprivileged and deprived communities by undertaking philanthropic initiatives through Taru Foundation. The initiative ranges from providing education support to underprivileged girls to providing healthcare facilities to rural people and distributing food items to eradicate hunger and poverty.

## 2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The Company's CSR initiatives are implemented through Apollo Tyres Foundation (ATF) which was registered in 2008. Apollo Tyres Foundation has in-house team of experts and field staff to undertake the CSR activities.

The organisation focuses on collaborating with likeminded organisations, building partnership for wider outreach. Our ethos is to work in partnership and not in silos. Our approach is to maximise outreach through strategic partnerships to avoid duplication of efforts, thereby ensuring optimum utilisation of the available resources.

ATF has established key linkages with government and other support agencies to ensure stronger stakeholder engagement for a sustained value through the programmes.

The organisation has adopted Public Private Partnership (PPP) model for better program deliver and wider outreach. For instance, technical partnership with USAID, The Union & Central TB Division for elimination of TB in Healthcare programme; partnership with Essilor Vision Pvt Ltd for setting up the vision testing facility and affordable spectacles for the trucking community. For tele medicine consultation, ATF has partnered with Telerad Foundation and has introduced teleconsultation facility at 32 Healthcare centres. Other partnerships such as Ashok Leyland, Ambuja Cement Foundation have led to pooling of funds for better services to the beneficiaries.

Under community development, at Kerala location ATF has developed a biodiversity park in collaboration with local panchayat. Under livelihood programme, ATF has partnered with District Rural Development Authority (DRDA) for livelihood training support and government linkage, National Rural Livelihood Mission for credit linkage, Agriculture Universities and Agriculture Training Management Agency (ATMA) for agriculture and livestock development related trainings and others.

Apart from these, linkages with Kudumbshree at Kerala location for creating livelihood opportunities for rural women have been developed. Other partnerships with Alliance Francaise and CSRBOX were introduced for the promotion of livelihood campaign (EK Naam) and rural livelihoods.

## 3. Have you done any impact assessment of your initiative?

Yes, ATF conducted three impact assessment studies for its Healthcare Programme for Trucking Community, Livelihood for Underprivileged Rural Women and Local Initiatives (Water Conservation Projects). Findings of the impact assessments studies are given below:

### Healthcare for Trucking Community:

- Nearly 70 % of truck drivers interviewed, have availed only ATF healthcare services.
- ATF's Peer Educators (volunteers) are one of the top 3 source of receiving information on healthcare services.
- 85% truckers, who were exposed through ATF intervention, aware about ways of HIV transmission.

- Top 3 perception about Apollo brand (1. High priced premium product, 2. Care for its customer, 3. Superior quality product).

#### Livelihood for Underprivileged Women:

- Nearly 70% of trained women are involved in income generation activities and earn over ₹ 5,000 a month.
- Nearly 80% of the beneficiaries believed that they participate in decision making matters.

#### Local Initiatives (Water Conservation):

- 80% of the villagers at Chennai location use RO drinking water.
- Households that consume RO water have very little morbidity incidence due to water borne diseases.
- Post pond rejuvenation, beneficiary believed in increase in water level in wells.
- 90% of the respondent said pond water is now used for religious activity .

#### 4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

Broad Areas of CSR Programs	₹ Million
Ensuring Environmental Sustainability, Ecological Balance	38.08
Eradication Hunger, Poverty & Malnutrition	1.05
Livelihood Enhancement Projects	13.33
Making Available Safe Drinking Water	2.1
Promoting Education	1.98
Promoting Health Care Including Preventive Health Care	77.37
Promoting Sanitation	8.47
Rural Development	2.54
Disaster management, including relief, rehabilitation and reconstruction activities	29.4
Impact Assessment	3.94
<b>Total</b>	<b>178.26</b>
Administrative Cost (5% over total expense)	8.91
<b>Grand Total</b>	<b>187.17</b>

#### 5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so

Yes, Community is our key stakeholder, and the Company believes that development of the community is possible only through continuous engagement and follow ups.

Under safe sanitation initiative, the organisation has constructed toilet with bathing facilities at Chennai, Chinnapanduru and Limda locations. Total 1,234 toilets with bathing spaces are constructed. Utilisation of the

facility across locations is over 97%. This showcases the adoption of safe sanitation practise amongst community people.

#### Principle 9:

##### 1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

The Company has a robust system for addressing customer complaints. As on March 31, 2022, there are no customer complaint pending. The total number of legal cases pending are 230 at Pan India level.

##### 2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

The Company adheres to all legal requirements with respect to product labelling and display of product information. All data as per current laws are available on the tyre sidewall. Product labels are available on PCR Tyres as of now basis current laws in India.

##### 3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

In various Consumer cases complainants allege about unfair trade practice by Apollo on warranty policies. No indent of such complaint in Competition Commission except two pending CCI cases initiated on the complaint of a dealers' federation i.e. AITDF and Haryana State Transport Undertaking.

##### 4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

The Company regularly engages with customers through call center to get their feedback on the resolution provided for complaints registered through various channels to gauge their satisfaction levels. The Company has also empowered dealers with AQS (Apollo Quick Service) App for on the Spot complaint disposition resulting in quick turn around and enhanced satisfaction trends for year under review. The Company expanded its footprint for better and quick customer complaint resolution by empowering partially to selected 8 Tractor OEMs and 1 Car OEM Dealerships. The findings of the feedback study are used to improve existing systems & processes in alignment to organizational goals.

For and on behalf of the Board of Directors

**ONKAR KANWAR**

Place : Gurugram  
Date : May 12, 2022

Chairman & Managing Director  
DIN: 00058921

# Conservation of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo

## A) CONSERVATION OF ENERGY

### (i) The steps taken or impact on conservation of energy

Practicing energy management standard (ISO: 50001) all across Apollo plants, which helped to improve & sustain energy performance at work centre and also certified for ISO 50001: 20018 version.

The energy saving projects (energy consumption reduction, improving utility generation efficiency, heat recovery projects, alternated method and automated process) identified in the process of practicing ISO: 50001 are implemented across locations.

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

Energy Projects & Activities strengthened up:-

- New improvement opportunity identified in utility system (Chilled water, steam & HVAC) and study of distribution network to identify gap & opportunities for improvement.
- Forward planning for optimized usage of energy sources (Direct & Indirect) to control cost.
- Implementation of SCADA system to monitor, analyse & control process side specific consumption.
- Horizontal deployment of identified energy saving projects analysed & reviewed for improving groups energy foot prints.
- Training continued to identify the energy efficiency improvement projects.
- Focused energy review meetings by management.
- Interplant energy efficiency comparison and review by all the plants.

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

As per Apollo vision to increase the percentage of renewable power contribution and reduction of carbon foot print, 30MW off site solar plant and 5MW hybrid off site power plant is being installed.

14MW on site roof top solar plant also initiated in this year.

Usage of Briquette as a alternate fuel in place of coal

is initiated in this year to reduce carbon emission and operational cost.

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

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

- Standard old low efficiency motors replace with IE3/IE4 energy efficient motors.
- Energy efficiency projects identified more efficient usage of utilities.
- Horizontal deployment of energy efficient vacuum pump to be install in all the plants.
- Pilot project implementation of automatic condenser tube cleaning system to improve the chiller energy efficiency.
- Alternate method of cooling tower maintenance by installing SBR system to avoid the auto chemical dosage system and manual cleaning system to maintain the cooling tower efficiency and reduce the operational cost.
- AHU upgradation from single stage to multistage cooling method to improve the chilled water efficiency.
- Alternate method for curing being looked into reduce the water consumption.
- Coal fired boiler reliability improvement to reduce the hot standby of FO boiler to reduce the FO consumption.
- Dedicated special task team appointed to find out the opportunities in direct energy consumption area to optimize the operation cost and also find out the alternate source to reduce the carbon foot print.

## B) TECHNOLOGY ABSORPTION:

### (i) Efforts made towards Technology absorption

Research and Development is regarded as one of the major pillars of our Company's growth with customer centric product development being the key process. Vision of Apollo's R&D is to support organisational growth through the development of path breaking technology

and using them to create products that exceed customer expectations. Apollo's commitment to realizing its vision has led to the development of many innovative products. The year gone by has seen Apollo introducing many winning products into markets. Our Global R&D centres which represent the Company's Intellectual Capital have produced numerous customer centric innovations till date, which helped us to bag prestigious and highly regarded **National IP Awards 2020 of India from the Hon. Minister of Commerce & Industry Shri. Piyush Goyal**, for being the 'Top Indian Company/Organization for Design & Commercialization. Global R&D centre Asia has undertaken and completed many projects in key areas of technology that have a direct bearing on business growth for the Company.

Company believes that in a era of technological disruptions, Collaboration is the key for success in technology development. Apollo's R&D has forged many research collaborations with major Universities and test facilities across the globe. Apollo continues to be a Member with Centire research center of Virginia tech., USA, which provides access to many new avenues in research. Sponsored research through PhD students at various IITs, BITS, MG university & VIT are on-going and the outcomes will benefit the Company to enjoy technological edge over competition. IIT Chennai and Anna University have approved our Global R&D centre to conduct their PhD programmes.

Sustainability is embedded in our value - and we commit ourselves to building a responsible and sustainable business that equally benefits the society. R&D focus on Sustainability will define future growth for our company. As a starting point, we have made a commitment of becoming 'Net Zero' emitter or carbon neutral by Yr 2050. We are also in the process of setting our short-term and mid-term commitments to ensure that we will realize our 2050 promise of 'Net Zero'. As a Company, we have been cognizant of this mammoth issue faced by the world and the tyre industry and have long incorporated 'Sustainability' at the core of our operations. We are part of the Global Platform on Sustainable Natural Rubber and rolled out our Sustainable Natural Rubber policy and working with our partners accordingly. We also introduced the 'Sustainability Awards' to recognise leading work in the area of 'Sustainability' by our partners. Research and Development activities are also focused on this new journey and Sustainable materials (Recycled rubber, carbon and reinforcements) are under development as a replacement for conventional materials. Several New generation reinforcing materials for performance enhancement and weight reduction are developed. Smart fillers are developed to enhance performance of tyre. Bio-based material is synthesised for eco-friendly tyres which makes tyre greener to environment. High end of sophisticated analytical instruments are added to characterize performance enhancement properties of smart material for tyre application. Novel methods

are developed for determining the extent of Silanization in silica compounds for improving tyre performance. Several patents filed and research papers published in journals of International repute on related topics. Apollo's long term high value training programmes like Technical Leadership Development Programme(TLDP) helps the company to develop the needed pool of scientists for the future.

Collaborative work with multiple partners & suppliers of the raw materials used across the tyre manufacturing secures the competitive advantage for our Company and increases the engagement in knowledge, expertise, and resource sharing to make better products. While our global R&D centres continue to work on making better and longer lasting tyres with reduced rolling resistance, exploration of new materials and smart mixing methods help to achieve best balance of properties. Advancement in the mixing technology with smart mixing sequence assisted to enhance the performance properties that meet the requirements of premium OEMs such as M&M, MSIL, Hyundai and BMW. Commitments to the mandated requirements by OEMs in compliance with the Corporate Average Fuel Efficiency (CAFÉ) norms created an abrupt increase in the demand of the ultra-low RR tires with optimized tyre performance. We continue to innovate in the areas of material chemistry and physics to develop durable ultra-low RR compound that meets the CAFÉ requirements with remarkable durability and braking performance. Various projects including the use of recyclable materials and weight reduction without sacrificing tyre performance were undertaken as part of the organization's commitment to sustainability. Two product lines have been updated in terms of fuel efficiency as part of the company's efforts to reduce energy use.

Pre-development function of R&D has been consistently reaching new milestones in lowering Rolling resistance and incabin noise levels and the current levels are very much supportive for EVs. Also the research towards interior noise reduction resulted in concepts which can potentially reduce noise across all frequency spectrum through new pattern, material and construction as part of Ultra low noise technology development. The team has also developed Electric vehicle tyre technology with very low lower Rolling resistance along with superior traction and silent ride and this was achieved without compromising on the durability and handling. The team is currently working on technologies to support light weighting, Cavity noise reduction and extended mobility which will be available in products in the near future. Technology has also been developed for puncture proof tyres in farming application. Tyre Simulation department had taken a goal to reduce the New product development time and one action completed in this direction was the democratization of routine simulation steps. This facility is helping design and product development engineers to accelerate design selection and mould development. Further strengthening is happening on vehicle level

simulations which will help the company to reduce number of iterations towards product approvals and testing. The department has also digitized the process flow to capture input and output data to support data analytics to avoid duplication of activities. Noise queller and Self Sealant Technology are two new add-on technologies designed for noise reduction and extended mobility. Self-Sealant tyres successfully tested for the puncture sealing capability. Advanced Engineering has developed TPMS and RFID technologies for tyre health monitoring and digital identification of tyres which can potentially support evolving business models. All these developments ensured strict compliance of global regulatory requirements like REACH, PAH, ROHS, TSCA, ELV, SOC, Conflict Minerals, California Prop65, etc.

New design studio was set up for designers and product engineers for conceptualizing, conceiving, designing and prototyping. "Design thinking" is practiced to empathise with customer to understand the pain points and to propose desirable, feasible and viable solutions. In order to reduce product development cycle time, TBR layout automation system was developed jointly with Europe R&D and this process integrated the design and simulation activities and democratized the process for faster output. Faster industrialisation of any design output needs faster mold manufacturing. Through automated drawing method and collaborative working with mould suppliers for speedy manufacturing, 30% reduction in mould manufacturing time achieved for OE projects (2W and PV). This has given an edge to our company over competition for securing key OE projects.

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

Company has emerged as a leader in the Passenger car tyre segment in India. Apterra Cross (5 sizes) series of tyres was developed for the fast-growing compact SUV (CSUV) segment. The company maintained its leadership in the passenger car tyre category by driving more projects for product enhancement, cost reduction, product innovation, and import replacement. The UHP series Ultrac Vorti I and Ultrac I product lines in the Premium Luxury category now have 26 and 14 sizes respectively. In order to address the requirement from a fast-emerging electric vehicle (EV) market, R&D has created a particular EV tyre line with a low rolling resistance coefficient (RRc), reduced noise, and better comfort without sacrificing structural durability and wear performance. Several sizes are now available in the EV portfolio to cater to the demand of the upcoming EV vehicle. Customer enthusiasm for the environment friendly Amazer XP tyre, which was introduced in FY21, led to the addition of 17 sizes to the Amazer XP product line. In the main SUV class, Apterra's HT2 offering was also enlarged by 13%. Following the successful launch of Pinza in the US market, Pinza HT (38 sizes) and Pinza AT were introduced to the product line (41 sizes). The Altrust Grip product range, which was created particularly for

the AMA region, now includes two more sizes. When we demonstrated our technological prowess, three development projects, including the one for the 7 series, were obtained from OEMs.

Make in India for the world – In view of the regulatory activism across world, our product range got refreshed to meet all global requirements. TBR segment retained its leadership in the market with new engineered products developed all steel mining tyres which have a significantly better resistance to penetrations leading to breakdown than bias tyres and which enhanced the uptime and operational efficiency. Building up on our focus in fuel efficient tyres, the US range has been expanded to quality Smartway norms. To overcome the infra challenges in India, new innovative bead design was developed to improve the robustness of the tubeless tyre bead area. Partnership with major OEM has been forged for the Electric powertrain introduction in cargo segment through EV specific material technologies in tyres. Next generation coach tyre with low noise and high grip was developed to address the safety and comfort requirement of passenger transport. In order to spearhead the ambitious growth plans, next generation products introduced in all wheel and steer for the domestic market.

Small Commercial Vehicle (SCV) is one of the most dynamic and fast-evolving categories and the company developed small bias tyres 155D12 Bhim (Rib & Lug) to cater to this category, offering unmatched load carrying capability, best-in-class durability with the new HEART platform which also delivered better mileage than other tyres in this segment. These new tyres are aesthetically robust, bigger and stronger making it capable to carry more load, especially for securing market share in the last mile connectivity segment across India. For the first time in India, developed and established the steel belt design in Back-Hoe radial tyres to improve tyre life, fuel efficiency and driving comfort. New product was also developed with higher tread depth with optimized tread pattern in port segment, 18.00-25 for Reach stacker for container handling application aiming to establish CPH concept. New Turf tyres developed for Indian OEM exporting vehicle to European market. In the 2 wheeler segment, the company has successfully developed and launched the "Centaurus" tyres under "Vredestein" brand focusing on Sport Touring (Centaurus ST) and Super Sport (Centaurus NS) applications with the successful 0° Steel Radial Technology of Apollo which covers a wide range of motorcycles from 500cc to 1200cc. Before the launch of these tyres, the customers had to wait for months to get the tyres because of non-availability of them locally and due to import restrictions, which led to high demand for these tyres. Company seized this opportunity, entered into this segment and these tyres are getting accepted well not only in the Indian market, but also in other countries like South Africa, Thailand and middle east Gulf countries. In addition to this, the company is going to put an end to the long wait of

the customers who crave for adventure riding with the launch of "Tramplr" series in the upcoming year which suits both on road and off road riding. The company also focuses on the optimization of sustainable materials usage. The company has even planned to extend "Centauro" to the "Trail" segment which suites for High end Adventure Motorcycles of the world with both On road and Off road capabilities. The company has also strategized to cover all ranges of new vehicles not only in the premium segment of High end Motorcycles, but also in the Premium Scooter segments. On the OE space, the company has realized the growth of EV segment and bagged the approval of a major player in the EV segment, "Hero Electric" for which the supply is going on, thanks to the successful development of a EV specific tyre, "Apollo WAV, a tailor made tyre for meeting the performance needs of an electric vehicle. Also a joint development with another prominent EV OEM, "Ampere" is going on and we will soon see their new launch vehicle fitted with Apollo Tyres. Nevertheless, the continual focus on the conventional 2 wheeler OEM's is still going on where the company is keenly working with Bajaj/KTM, HMCL, BMW/TVS, Yamaha and Royal Enfield. The company has already initiated on the expansion of production in 2 wheeler category and new facilities approved for increasing the production upto 30% from FY22.

Company has also focused on the testing and evaluation of the tyres. With the commissioning of the custom designed advanced testing capabilities such as, Force & Moment on Flat trac, High speed Uniformity, Anechoic chamber, dynamic footprint etc., Apollo is now able to further the development of high-performance tyres for the most discerning customers. Key Features are enabled for High speed, camber & torque ramp-up rates- Suitable for development of EV tyres, high-end MC & PV tyres. For the faster development of tyres for different geographies & OEMs , Braking & Traction, Ride & Handling and NVH characterization capabilities were added . These facilities resulted in Significant saving in development cost and time. For premium & luxury vehicles, the major challenges of NVH is now addressed to the best satisfaction as a preferred partner of OEMs with joint evaluation, well supported with objective tyre characteristic data for their simulation. R&D team has also established the usage of remote assistance industrial smart glass for remote tyre inspection in field, plant process audits and supplier evaluations. This is helpful to ensure business continuity during pandemic time with timely decision making and for seamless connect with customer and other stake holders. Global function of process technology also made significant contribution like Smart Cure technology, Split curing technology, Dynamic Drain technology, Single Pass

Mixing technology leading to savings in energy, costs and capex .

**(iii) In case of imported technology (imported during last 3 years reckoned from the beginning of the financial year)**

- a) **Details of technology imported-** No Technology was imported during this financial year.
- b) **Year of import-** Not Applicable.
- c) **Whether the technology been fully absorbed-** We are focusing on the development of our own technology through in house R&D efforts.
- d) **If not fully absorbed, areas where absorption has not taken place and reasons therefore. –** The present technology is based on our own R&D efforts.

**(iv) Expenditure incurred on Research and Development**

	(₹ Million)
a) Capital	35.90
b) Deferred Revenue Expenditure	-
c) Revenue	1,443.74
d) Total	1,479.64
e) Total R&D expenditure as a % turnover	1.03%

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

	(₹ Million)
<b>(i) Foreign Exchange Earnings</b>	
On account of direct - export sales from Apollo Tyres Ltd (FOB value)	21,495.87
On account of royalty from Foreign Subsidiary Companies	83.66
On account of Cross Charge of Management Expenses from Foreign Subsidiary Companies	352.22
On account of Reimbursement of Expenses from Foreign Subsidiary Companies	494.18
<b>(ii) Foreign Exchange outgo (other than CIF value of imports)</b>	<b>3,967.28</b>

For and on behalf of the Board of Directors

**ONKAR KANWAR**

Place : Gurugram  
Date : May 12, 2022

Chairman & Managing Director  
DIN: 00058921

# Corporate Governance Report

Apollo Tyres' governance framework enjoins the highest standards of ethical and responsible conduct of business to create value for all stakeholders. It continues to focus on good corporate governance in line with emerging local and global standards. It understands and respects its fiduciary role in the corporate world. Besides adhering to the prescribed corporate governance practices as per Regulation 4(2) read with Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company voluntarily governs itself as per highest standards of ethical and responsible conduct of business in all facets of its operations and in all interactions with its stakeholders including shareholders, employees, consumers, lenders and the community at large.

The prime focus of Companies Act, 2013 (the "Act"), is on shareholders' democracy, higher transparency and more disclosures, E-Governance, investor protection/minority shareholders and on Professionals' enhanced role & accountability. The current annual report of your Company contains all the information and disclosures which are required to be given under Companies Act, 2013 / Listing Regulations.

This report, along with the report on Management Discussion and Analysis and additional shareholders information provides the details of implementation of the corporate governance code by your Company as contained in the Listing Regulations.

## 1. CORPORATE GOVERNANCE PHILOSOPHY

At Apollo Tyres Ltd ('Apollo'), corporate governance brings direction and control to the affairs of the Company in a fashion that ensures optimum return for stakeholders. Corporate governance is the broad framework which defines the way the Company functions and interacts with its environment. It is in compliance with laws and regulations in each of the markets the Company operates, leading to effective management of the organisation. Moreover, Apollo in its journey towards sustainability is integrating sustainability practices in its corporate governance system which goes beyond compliance.

The Company is guided by a key set of values for all its internal and external interactions.

Simultaneously, in keeping with the best practices, your Company seeks to execute the practices of corporate governance by maintaining strong business fundamentals and by delivering high performance through relentless focus on the following:

(a) Transparency by classifying and explaining the Company's policies and actions to those towards

whom it has responsibilities, including its employees. This implies the maximum possible disclosures without hampering the interests of the Company and those of its stakeholders. The Company believes in promotion of ethical values and setting up exemplary standards of ethical behaviour in our conduct towards our business partners, colleagues, shareholders and general public;

- (b) Accountability is a key pillar, where there cannot be a compromise in any aspect of accountability and full responsibility, even as the management pursues profitable growth for the Company;
- (c) Professionalism ensures that management teams at all levels are qualified for their positions, have a clear understanding of their roles and are capable of exercising their own judgment, keeping in view the Company's interests, without being subject to undue influence from any external or internal pressures;
- (d) Trusteeship brings into focus the fiduciary role of the management to align and direct the actions of the organisation towards creating wealth and shareholder's value in the Company's quest to establish a global network, while abiding with global norms and cultures;
- (e) As part of Corporate Responsibility, the Company believes in working towards sustainable development - environmental and social. Though the journey on sustainability is recent, it is already a key pillar in its next five year growth journey;
- (f) Safeguarding integrity ensures independent verification and truthful presentation of the Company's financial position. For this purpose, the Company has also constituted an Audit Committee which pays particular attention to the financial management process;
- (g) Continuous focus on training and development of employees and workers to achieve the overall corporate objectives while ensuring employee integration across national boundaries.

Your Company is open, accessible and consistent with its communication. Apollo Tyres shares a long term perspective and firmly believes that good corporate governance practices underscore its drive towards competitive strength and sustained performance. Thus, overall corporate governance norms have been institutionalised as an enabling and facilitating business process at the Board, Management and at all operational levels.

## 2. BOARD OF DIRECTORS

At Apollo, we believe that an active, well-informed and independent Board is necessary to ensure highest standards of Corporate Governance. The Board of Directors of Apollo Tyres, being at the core of its Corporate Governance practice, plays the most pivotal role in overseeing how the management serves and protects the long term interests of all our stakeholders.

Apollo's Board consists of an optimal combination of Executive Directors and Independent Directors, representing a judicious mix of professionalism, knowledge and experience. The Directors bring in expertise in the fields of strategy, management, human resource development, legal, finance and economics, among others. The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

- (a) **Composition of Board:** The size and composition of the Board meet the requirements of Regulation 17(1) of Listing Regulations. The Company's Board of Directors consists of 14 Executive and Non-Executive Directors, including leading professionals in their respective fields. The following is the percentage of Executive and Non-Executive Directors of the Company as on March 31, 2022:

Category of Directors	No. of Directors	% of Total no. of Directors
Executive	3	21
Non-Executive (including Independent Directors)	11	79
<b>Total</b>	<b>14</b>	<b>100</b>

The constitution of the Board and attendance record of Directors as on March 31, 2022 are given below:

Name/ Designation of Director	Executive/ Non-Executive/ Independent	No. of positions held in Other Companies			Directorship in listed Companies		No. of Board Meetings Attended <sup>(3)</sup>	Attendance at last AGM
		Board <sup>(1)</sup>	Committee <sup>(2)</sup> Member	Chairman	Name of the Company	Position Held		
Mr. Onkar Kanwar Chairman & Managing Director	Promoter – Executive	3	-	1	PTL Enterprises Ltd.	Chairman	5	Yes
					Artemis Medicare Services Ltd.	Chairman		
Mr. Neeraj Kanwar Vice Chairman & Managing Director	Executive	2	3	-	PTL Enterprises Ltd.	NED	5	Yes
					Artemis Medicare Services Ltd.	NED		
Mr. Akshay Chudasama	Non-Executive Independent	1	1	-	Bata India Ltd.	ID	5	Yes
Ms. Anjali Bansal (Resigned w.e.f. September 13, 2021)	Non-Executive Independent	5	4	-	The Tata Power Co Ltd.	ID	1	No
					Voltas Ltd.	ID		
					Siemens Ltd.	ID		
					Piramal Enterprises Ltd.	ID		
Gen. Bikram Singh (Retd.)	Non-Executive Independent	-	-	-	None	-	5	Yes
Mr. Francesco Gori	Non-Executive Non-Independent	-	-	-	None	-	5	Yes
Mr. Francesco Crispino	Non-Executive Independent	-	-	-	None	-	5	No

Name/ Designation of Director	Executive/ Non- Executive/ Independent	No. of positions held in Other Companies			Directorship in listed Companies		No. of Board Meetings Attended <sup>(3)</sup>	Attendance at last AGM
		Board <sup>(1)</sup>	Committee <sup>(2)</sup>		Name of the Company	Position Held		
			Member	Chairman				
Ms. Lakshmi Puri (Appointed w.e.f. October 29, 2021)	Non-Executive Independent	-	-	-	-	-	3	NA
Ms. Pallavi Shroff	Non-Executive Independent	4	2	-	One 97 Communications Ltd.	ID	3	Yes
					Asian Paints Ltd.	ID		
					Inter Globe Aviation Ltd.	ID		
					PVR Ltd.	ID		
Mr. Robert Steinmetz	Non-Executive Non-Independent	-	-	-	None	-	5	Yes
Mr. Satish Sharma	Executive	-	-	-	None	-	5	Yes
Mr. Sunam Sarkar	Non-Executive Non-Independent	-	-	-	None	-	5	Yes
Mr. Vikram S. Mehta	Non-Executive Independent	5	6	1	Colgate Palmolive I Ltd.	ID	5	Yes
					Mahindra & Mahindra Ltd.	ID		
					HT Media Ltd.	ID		
					L & T Ltd.	ID		
					Jubilant Foodworks Ltd.	ID		
Mr. Vinod Rai	Non-Executive Independent	3	1	-	-	-	5	Yes
Mr. Vishal Mahadevia	Non-Executive Non-Independent	1	-	-	IDFC First Bank Ltd.	Non-ID	5	Yes

<sup>(1)</sup>This includes Directorships held in Public Ltd. Companies and Subsidiaries of Public Ltd. Companies and excludes Directorships in Private Ltd. Companies, Section 8 Companies and Overseas Companies.

<sup>(2)</sup>For the purpose of Committees of Board of Directors, only Audit and Stakeholders' Relationship Committees in other Public Ltd. Companies and Subsidiaries of Public Ltd. Companies are considered.

<sup>(3)</sup>During FY22, 5 (five) Board Meetings were held.

None of the Directors of your Company is a member of more than 10 Committees or is the Chairman of more than 5 Committees across all the Companies in which he/ she is a Director.

Ms. Pallavi Shroff and Mr. Akshay Chudasama are Managing Partners of M/s. Shardul Amarchand Mangaldas & Co., Solicitors and Advocates on record, to whom the Company has paid fee of ₹ 3.21 million during FY22 for professional advice rendered by the firm in which they are interested. The Board has determined that such payment in the context of overall expenditure by the Company is not significant and does not affect their independence.

As required under Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors was held on February 15, 2022. The Independent Directors at the meeting, inter alia, reviewed the following:-

- Performance of Non-Independent Directors and Board as a whole;
- Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that was necessary for the Board to effectively and reasonably perform their duties.

In addition to formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors to discuss the issues and concerns, if any.

**(b) Performance evaluation of Independent Directors**

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

For annual performance evaluation, the Company has formulated a questionnaire to assist in evaluation of the performance based on criteria such as value addition to discussions and decisions, attendance in Board Meetings, effective contribution to Board Meetings etc. Every Director has to give rating for each question on the scale of 1 to 5, 1 being Unacceptable and 5 being Exceptionally Good. On the basis of the response to the questionnaire, a matrix reflecting the ratings was formulated.

**(c) Board Functioning & Procedure:** Apollo Tyres' Board is committed to ensure good governance through a style of functioning that is self-governing. The members of the Board always have complete liberty to express their opinion and decisions are taken on the basis of consensus arrived at after detailed discussions. They are also free to bring up any matter for discussion at the Board Meetings.

Apollo Tyres' Board meets at least once in every quarter to discuss and review the quarterly results and other items of agenda, including the information required to be placed before the Board, as required under Regulation 17(7) read with Part A, Schedule II of the Listing Regulations and additional meetings are held as and when required. The meeting dates are usually finalized well before the beginning of the year. The Chairman/Vice Chairman of the Board, Chief Financial Officer and the Company Secretary discuss the items to be included in the agenda and the detailed agenda, management reports and other explanatory statements

are circulated well in advance of the meeting. Senior Management officials are called to provide additional inputs on the matters being discussed by the Board/Committee. Overseas operating subsidiaries are represented through President of respective regions who make detailed presentations about working of their respective Companies.

**Paperless Board Meetings:** With a view to leverage technology and reducing paper consumption, the Company has adopted a web-based application for transmitting Board/Committee Agenda. The Directors of the Company receive the Agenda in electronic form through this application, which can be accessed through Browsers or iPads. The application meets high standards of security and integrity that is required for storage and transmission of Board/Committee Agenda in electronic form.

**Post Meeting follow up procedure:** The Board has an effective post meeting follow up procedure. Items arising out of previous Board Meeting and their follow up action report are placed at the immediately succeeding meeting for information of the Board.

**(d) Information placed before the Board of Directors**

The Board has complete access to all the information available within the Company. The following information, inter-alia, is provided periodically by the management to the Board for its review:

- Quarterly/ Half yearly/ Yearly financial results (consolidated & standalone) and items arising out of Annual Accounts.
- Proceedings of various Committees of the Board (on quarterly basis).
- Minutes of the Subsidiaries (on quarterly basis).
- Internal/External Audit findings & recommendations (on quarterly basis).
- Report on Share Capital Audit (on quarterly basis).
- Secretarial Audit Report (on Annual basis).
- Related Parties Transactions (on quarterly basis).
- Information on Cost Audit (on Annual basis).
- Compliance certificates on applicable laws of ATL & its Subsidiaries (on quarterly basis).
- Compliance Reports, Investors Complaints, Corporate Governance, Transfer/ Transmission/ Demat of shares (on quarterly basis).
- Foreign Exchange exposure & steps taken to limit the risk (on quarterly basis).
- Material legal cases (on quarterly basis).
- Investment/deployment of funds & borrowings (on quarterly basis).

- Annual Report (on Annual basis).
  - Capital and Revenue Budgets (on Annual basis).
  - Overall business scenario, operations of the Company (on quarterly basis).
  - Growth & Expansion plans at various operations, capital spent, business/financial justification and time frame (as and when required).
  - Sales Forecast, Margin outlook etc. (on quarterly basis).
  - Banking facilities and its utilization (on quarterly basis).
  - Review of Material Events and Transactions (on quarterly basis).
  - Global growth plans (as and when required).
  - Codes and Policies (as and when required).
  - Investment in Subsidiary Companies & providing guarantee etc.(as and when required).
  - Update on statutory compliance requirements and implementation process (as and when required).
  - Details on Labour Relations covering the Plants (on quarterly basis).
  - Statement of all significant transactions and arrangements entered into by the Subsidiary Companies (on quarterly basis).
  - Noting of Report on Health & Safety (on quarterly basis).
  - Disclosure of interest/ declaration of independence/ declaration u/s 164 received from Directors (on Annual Basis).
  - Fixation of Statutory Responsibilities/ Grant of Power of Attorney (as and required).
  - Operation of Bank Accounts (as and required).
  - Re-appointment of Secretarial Auditor (on Annual Basis).
  - Group Organogram (on Quarterly Basis).
  - Details on Dividend (on Annual Basis).
  - Details on Issue and Listing of Commercial paper (as and when required)
  - Presentation on repayment schedule & financial covenants (as and when required).
- The Chairman, Vice Chairman, CFO and Company Secretary keep the members of the Board informed about any material development/business update through various modes viz. emails, letters, telecon etc. from time to time.
- (e) Core Skills /Expertise/ Competencies available with the Board**
- The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.
- The following skills / expertise / competencies have been identified/ available with the Board for the effective functioning of the Company:
- Leadership / Operational experience.
  - Legal Expertise.
  - Expertise in Strategy, Human Resource Development and Administration.
  - Building effective Sales and Marketing strategies.
  - Expertise in International Tyre Business and Technical Operations.
  - Expertise in sourcing of Raw Materials, IT and Business Operations.
  - Expertise in Auditing, Banking, Finance, Economics and Corporate Governance.
  - Expertise in Manufacturing, Projects and R&D.
  - Expertise in Investment Banking and Private Equity Investments.

While all the Board members possess the skills identified, their area of core expertise is given below:

S. No.	Name of Director	Expertise/ Skills
1.	Mr. Onkar Kanwar	Leadership/ Operational experience, expert in Strategy, Tyre Business and Management.
2.	Mr. Neeraj Kanwar	Leadership/ Operational experience, expert in Strategy, Tyre Business and Management.
3.	Mr. Akshay Chudasama	A lawyer, specialized in Mergers and Acquisitions, Joint Ventures, Cross Border Investments, Private Equity etc.
4.	Gen. Bikram Singh (Retd.)	Former Chief of Indian Army and an expert in Administration and Strategy.
5.	Mr. Francesco Gori	Expert in the field of International Strategy, Product Development & Management, Sales and Marketing.

S. No.	Name of Director	Expertise/ Skills
6.	Mr. Francesco Crispino	Expert in the field of Investment Banking and Corporate Law.
7	Ms. Lakshmi Puri	Expert in Economics, Foreign Affairs and International Trade and Development.
8.	Ms. Pallavi Shroff	A lawyer, with an expertise in ad-hoc arbitrations and institutional arbitrations and handling legal disputes.
9.	Mr. Robert Steinmetz	Expert in International Tyre Business and Technical Operations.
10.	Mr. Sunam Sarkar	Expert in sourcing of Raw Materials, HR, IT, Sustainability, Business Operations and Corporate Strategy.
11.	Mr. Satish Sharma	Expert in the field of key functions like manufacturing, sales and marketing, projects and R&D.
12.	Mr. Vikram S. Mehta	Expert in the field of Sales/ Marketing, Strategy and Management.
13.	Mr. Vinod Rai	Ex-Comptroller and Auditor General of India. Expert in Audit, Banking, Finance and Corporate Governance.
14.	Mr. Vishal Mahadevia	Expert in the field on Finance, Economics and Private Equity Investments.

(f) **Relationship amongst Directors:** Mr. Neeraj Kanwar, Vice Chairman & Managing Director is the son of Mr. Onkar Kanwar, Chairman & Managing Director. None of the other Directors are related to each other.

(g) **Profile of the Chairman & Managing Director:** As the Chairman of Apollo Tyres Ltd, Mr. Onkar Kanwar is the chief architect of the Company's vision and value-driven business strategy. Under his able leadership, Apollo became a professionally managed and a globally recognised tyre manufacturer. As a visionary entrepreneur, he plays a critical role in the articulation of Company's business philosophy.

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

He is the Past President of the Federation of Indian Chambers of Commerce and Industry (FICCI) and a former Chairman of the Automotive Tyre Manufacturers' Association. Currently, he is the Chairman of BRICS Business Council, India.

Mr. Onkar Kanwar has a keen interest in the field of education and health care. Artemis Health Sciences, promoted by him, is an enterprise focusing on state-of-the-art medical care and runs a cutting edge multi-specialty medical facility which focuses on holistic treatment. An initiative close to his heart is Apollo Tyres' HIV-AIDS awareness and prevention programme for the commercial vehicle driver community, implemented through Apollo Tyres Foundation's Health Care centres located in large transshipment hubs across India.

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

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

**Profile of the Vice Chairman & Managing Director:** As the Vice Chairman & Managing Director of Apollo Tyres, Mr. Neeraj Kanwar plays a pivotal role in Apollo's journey towards becoming one of the most admired automotive tyre brands. Mr. Neeraj Kanwar has pioneered key initiatives in enhancing the competitiveness of the Company's Operations and Products across the Board. He is responsible for crafting Apollo's growth story taking the Company from US\$450 million to US\$2 billion within a 5-year time span. Under his able leadership, Apollo acquired Dunlop Tyres International in South Africa and Zimbabwe in 2006, Vredestein Banden B V in the Netherlands in 2009, and the setting up of a Greenfield facility in Hungary, thereby transforming itself into a Company with operations across geographies.

Mr. Neeraj Kanwar began his career with Apollo Tyres as Manager, Product & Strategic Planning, where he played a crucial role in creating a bridge between the two key functions of Manufacturing and Marketing. In 1998, he joined the Board of Directors and was promoted to Chief, Manufacturing and Strategic Planning. His people management skills helped him bring overarching changes in Industrial Relations, upgradation of technology and benchmarking on product and efficiency parameters.

In 2002, he took over as the Chief Operating Officer of the organisation, wherein he introduced value-

driven process improvements in Human Resources and Information Technology. Mr. Neeraj Kanwar was appointed as Joint Managing Director in 2006 and elevated to Vice Chairman in 2008, and soon after took over as the Managing Director in 2009 for his initiatives in establishing the Company in the global arena.

As a business leader, Mr. Neeraj Kanwar is associated with leading industry associations and was recently the Chairman of the Automotive Tyre Manufacturer's Association, India.

Mr. Neeraj Kanwar is a people-centric leader and believes in empowering employees to undertake effective and efficient decisions at all times. Within Apollo, he is known for his affable management style, and combine work with liberal doses of fun.

An engineering graduate from Lehigh University in Pennsylvania, USA, Mr. Neeraj Kanwar is an avid sportsperson. He prefers to spend his leisure time with his family or playing tennis, swimming and travelling.

- (h) **No. & Dates of Board Meetings held:** During the FY22, 5 (five) Board Meetings were held on May 12, 2021, August 4, 2021, October 29, 2021, February 2, 2022 and March 29, 2022. The gap between any two meetings never exceeded 120 days as per the requirements of Regulation 17(2) of the Listing Regulations.
- (i) **Statutory Compliance of Laws:** The Board periodically reviews the compliance report of the laws applicable to the Company as well as steps taken by the Company to rectify the instances of non-compliance, if any.
- (j) **Recommendation of Committees:** During the FY22, the Board has accepted all the recommendations of the Committees.
- (k) **Compliance by Independent Directors:** In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.
- (l) **Independent Director Databank Registration:** Pursuant to a notification dated October 22, 2019, issued by the Ministry of Corporate Affairs (MCA), all the Independent Directors, subject to the guidelines prescribed by the MCA, were required to register online with the Indian Institute of Corporate Affairs (IICA) within the stipulated time for inclusion of their names in the Independent Directors Databank. Accordingly, all our Independent Directors have completed the registration with the Independent Directors Databank.
- (m) **Resignation by Independent Director:** During the year, Ms. Anjali Bansal (DIN: 00207746), Independent Director had tendered her resignation as an Independent Director of the Company with effect from end of the business hours of September 13, 2021, due to other preoccupations. She has also confirmed that there is no other material reason(s) for her resignation other than what is disclosed in the resignation letter.

- (n) **Total fee paid to Statutory Auditors on consolidated basis:** An amount of ₹13.25 million was paid/ payable to Statutory Auditors (excluding out of pocket expenses) for all services provided to the Company and its Subsidiaries during FY22, on a consolidated basis and all entities in the network firm/ network entity of which the Statutory Auditor is a part.

### 3. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with a view to ensuring accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

#### (a) Composition & Terms of Reference of Committee

The Board of Directors constituted an Audit Committee in the year 1992. The powers, role and terms of reference of the Audit Committee cover the areas as contemplated under Regulation 18 of Listing Regulations and Section 177 of the Act.

The Audit Committee comprises of four Directors viz. Mr. Vinod Rai, Mr. Akshay Chudasama, Mr. Robert Steinmetz and Ms. Pallavi Shroff, with two-thirds of the members as Independent Directors. Mr. Vinod Rai, Independent Director, acts as the Chairman of the Committee. All the members are financially literate and possess the requisite financial/business acumen to specifically look into the internal controls and audit procedures. Members have discussions with the Statutory Auditors during the meetings of the Committee and the quarterly/half-yearly and annual audited financials of the Company are reviewed by the Audit Committee before consideration and approval by the Board of Directors. The Committee also reviews Internal Control Systems and IT systems.

As per Regulation 18(3) read with Part C of Schedule II of the Listing Regulations and Section 177 of the Act, the Audit Committee has been entrusted with the following responsibilities:-

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;
- Reviewing matters required to be included in the Director's Responsibility Statement to be included

in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- Reviewing changes, if any, in accounting policies and practices and reasons for the same;
- Reviewing major accounting entries involving estimates based on the exercise of judgment by management;
- Reviewing significant adjustments made in the financial statements arising out of audit findings;
- Reviewing compliance with listing and other legal requirements relating to financial statements;
- Reviewing disclosure of any related party transactions;
- Reviewing modified opinion(s) in the draft audit report;
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Review of the functioning of Whistle Blower Mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate;
- Review of investments made by the unlisted Subsidiary;
- Reviewing the utilisation of loans and/or advances from/investment by the Holding Company in the Subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the Subsidiary, whichever is lower including existing loans/ advances/investments;
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- Review of Management Discussion and Analysis of financial condition and results of operations;
- Review statement of significant related party transactions submitted by Management;
- Review of management letters/letters of internal control weaknesses issued by the statutory auditors;
- Review of internal audit reports relating to internal control weaknesses and the appointment, removal and terms of remuneration of the internal auditor;
- Review of statement of deviations, if any:-
  - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Chairman of the Audit Committee has confirmed to the Board that the Audit Committee during the year under review has complied with all the roles assigned to it pursuant to the Act and Listing Regulations.

## (b) Meetings of Audit Committee and attendance of members during the year

During the FY22, 4 (four) Audit Committee Meetings were held on May 11, 2021, August 3, 2021, October 28, 2021 and February 1, 2022.

Name of Director	Designation	Category of Director	No. of meetings attended
Mr. Vinod Rai	Chairman	Non-Executive Independent	4
Mr. Akshay Chudasama	Member	Non-Executive Independent	4
Ms. Pallavi Shroff	Member	Non-Executive Independent	4
Mr. Robert Steinmetz	Member	Non-Executive Non-Independent	4

In addition to the members of the Audit Committee, these meetings were attended by Vice Chairman & Managing Director, Chief Financial Officer, President (APMEA), President (Europe), Group Head (Corporate Accounts & Taxation), Internal Auditor, Cost Auditor and Statutory Auditor of the Company, wherever necessary, and those executives of the Company who were considered necessary for providing inputs to the Committee.

The Company Secretary acts as Secretary of the Committee.

The Chairman of the Audit Committee, Mr. Vinod Rai, was present at the Annual General Meeting of the Company held on July 23, 2021.

The Committee invites the Directors who are not the members of the Committee, to attend the meeting as an invitee.

## (c) Role of Internal Auditor

The Company has a well-established and independent Internal Audit function, which provides assurance to the management, on design and operating effectiveness of internal controls and systems, as well as suggest improvements to systems and processes. Internal Audit assesses and promotes strong ethics and values within the organisation and facilitates maintaining and monitoring the internal control environment. Internal Audit responsibilities encompass all locations, operating entities and geographies of the Company, in which all aspect of business, viz. operational, financial, information systems and regulatory compliances are reviewed periodically.

The Internal Audit has a well laid down internal audit methodology, which emphasis on risk based internal audits using data analytics. The Internal Audit prepares a rolling annual internal audit plan, comprising of operational, financial, compliance and information systems audits, covering all the locations, operations and geographies of the Company. The audit plan for the year is reviewed and approved by the Audit Committee at the beginning of each financial year.

The Internal Auditor reports to both, the Chairman and the Audit Committee of the Company. On quarterly basis, the Internal Auditor reports to the Audit Committee, the key internal audit findings, and action plan agreed with the management, the status of audits vis-à-vis the approved annual audit plan and status of open audit issues. Direct reporting to the Chairman and the Audit Committee establishes Internal Audit as a function independent from the business.

## (d) Subsidiary Companies

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

The Audit Committee of the Company reviews the financial statements, in particular the investments made by all unlisted overseas Subsidiary Companies. Significant issues pertaining to Subsidiary Companies are also discussed at Audit Committee meetings. A summarised statement of important matters reflecting all significant transactions and arrangements entered into by the Subsidiary Companies, included in the minutes of the above overseas Subsidiary Companies are placed before the Board of Directors of the Company and are duly noted by it. The performance of all its Subsidiaries is also reviewed by the Board periodically.

The Company has a Policy for determining material Subsidiaries and the same is available on website of the Company. Refer link:<https://corporate.apollotyres.com/investors/corporate-governance/>

## 4. NOMINATION AND REMUNERATION COMMITTEE

### (a) Constitution and Composition of the Committee

The Board of Directors had constituted a Remuneration Committee in the year 2003. The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Listing Regulations and Section 178 of the Act. The Nomination and Remuneration Committee comprises of three members which are Non-Executive Independent Directors viz. Mr. Vinod Rai, Mr. Akshay Chudasama and Ms. Pallavi Shroff. Mr. Vinod Rai is the Chairman of the Committee.

The Nomination and Remuneration Committee has devised a policy on Board diversity in terms with the

requirement under Regulation 19 of Listing Regulations.

The Company Secretary acts as the Secretary of the Committee.

## **(b) Brief description of the Terms of Reference**

The Nomination and Remuneration Committee has been entrusted with the responsibilities to review and grant annual increments, vary and/or modify the terms and conditions of appointment/re-appointment including remuneration and perquisites, commission etc. payable to Managing Directors within the overall ceiling of remuneration as approved by the members.

The Committee in its meeting held on May 15, 2014, had noted the following terms of reference pursuant to Section 178 of the Act & Regulation 19(4) read with Part D Schedule II of Listing Regulations:-

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and Other Employees.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on diversity of Board of Directors.
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- To see that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- To see that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To see that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

## **(c) Policy for appointment and remuneration**

In terms of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors. The salient features of the aforesaid policy is given as below:

### **1. Criteria for Appointment of Director and Senior Management**

The Committee shall consider the following factors for identifying the persons who are qualified to becoming Director and who can be appointed in Senior Management:

- 1.1 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or at Senior Management level and recommend to the Board his/her appointment.
- 1.2 A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
- 1.3 An Independent Director shall mainly possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.
- 1.4 The Company may appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years subject to the approval of shareholders by passing a special resolution. The explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.
- 1.5 The Company should ensure that the person so appointed as Director/Independent Director/Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, or any other enactment for the time being in force.
- 1.6 The Director/Independent Director/Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, or under Listing Regulations, or any other enactment for the time being in force.

- 1.7 Independent Director shall meet all criteria specified in Section 149(6) of the Companies Act, 2013 and rules made thereunder and/or as specified in Regulation 16(b) & 25 of Listing Regulations.

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

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate(s).

## 2. Criteria for Determining Positive Attributes & Independence of Directors

### Criteria for determining positive attributes:

The Committee shall consider the following factors for determining positive attributes of Directors (including Independent Directors):

- 2.1 Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- 2.2 Actively update their knowledge and skills with the latest developments in the Tyre/ Automobile industry, market conditions and applicable legal provisions.
- 2.3 Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- 2.4 To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- 2.5 Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- 2.6 To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.

### Criteria for determining Independence:

The Independent Director shall qualify the criteria of independence mentioned in Section 149(6) of the Companies Act, 2013 and rules related thereto and in Regulation 16(b) & 25 of Listing Regulations.

## 3. Remuneration of Directors, Key Managerial Personnel (KMP) and Other Employees

On the appointment or re-appointment of Managing Director, Whole-time Director and KMPs, the Committee will recommend to the Board for their approval, the remuneration to be paid to them. The Committee shall recommend to the Board, all remuneration to be paid to the Senior Management Personnel. The remuneration to all other employees shall be as per HR policy of the Company.

The annual increment of remuneration for Managing Director/Whole-time Directors shall be made on the basis of the resolution approved by the shareholders. The annual increment in Salary of KMP (other than Managing Director/Whole-time Directors), Senior Management Personnel shall be recommended by the Committee to the Board. The annual increment in Salary for all other employees shall be made as per HR policy of the Company.

The level and composition of remuneration as determined by the Committee shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully.

The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

### 3.1 General

3.1.1 Nomination and Remuneration Committee shall recommend to the Board for its approval, the remuneration, including the commission based on the net profits of the Company for the Non-Executive Directors and Whole-time Director and other Executive Directors. The remuneration shall be subject to the prior/post approval of the shareholders of the Company.

### 3.2 Remuneration to Whole-time/Executive/Managing Director

#### 3.2.1 Fixed pay:

The Whole-time Director shall be eligible for remuneration as may be approved by the shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of the pay scale, performance bonus and quantum of perquisites including employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders.

### Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors and Non-Executive Directors including Independent Directors exclusive of sitting fees, in accordance with the provisions of the Companies Act, 2013 read with Schedule V.

### Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the approval required under the Act, he/she shall refund such sums to the Company, within two years or such lesser period as may be allowed by the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by the Company by special resolution within two years from the date the sum becomes refundable.

### Remuneration to Non- Executive Independent/ Non- Independent Director:

#### Sitting Fees:

The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed One lakh per meeting of the Board or Committee. The quantum of sitting fees will be determined as per the recommendation of Nomination and Remuneration Committee and approved by the Board of Directors of the Company. Further, the boarding and lodging expenses shall be reimbursed to the Directors.

#### Commission:

The profit-linked Commission shall be paid within the monetary limit approved by the Board/Shareholders of the Company subject to the same not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Act.

#### Stock Options:

Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company. Only such employees

of the Company and its Subsidiaries as approved by the Nomination and Remuneration Committee will be granted ESOPs.

Criteria of making payments to Non- Executive Directors is disseminated on the website and same can be viewed at: <https://corporate.apollotyres.com/investors/corporate-governance/>

### Remuneration to KMP, Senior Management Personnel and Other Employees

The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and/or as may be approved by the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be as per the Company's HR policies.

The annual variable pay of managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year.

This Remuneration Policy shall apply to all future/ continuing employment/engagement(s) with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board.

### (d) Meetings of Nomination and Remuneration Committee and Attendance of members during the year

During FY22, 3 (three) Nomination and Remuneration Committee Meetings were held on May 11, 2021, May 25, 2021 and October 28, 2021.

Name of Director	Designation	Category of Director	No. of meetings attended
Mr. Vinod Rai	Chairman	Non-Executive Independent	3
Mr. Akshay Chudasama	Member	Non-Executive Independent	3
Ms. Pallavi Shroff	Member	Non-Executive Independent	2

**(e) Payment of remuneration/sitting fee to the Directors etc.**

The details of remuneration paid to Directors during FY22 are given below.

**(i) Executive Directors/CFO/Company Secretary:**

Particulars	(₹ million)		
	Mr. Onkar Kanwar, Managing Director	Mr. Neeraj Kanwar, Managing Director	Mr. Satish Sharma, Whole-time Director
Salary	45.00	39.48	29.39
Contribution to PF/ Superannuation/ Gratuity	14.31	12.56	9.35
Commission/ Performance Bonus	18.24	17.71	19.88
Perquisites	62.59	52.87	30.97
<b>Total Remuneration</b>	<b>140.14</b>	<b>122.62</b>	<b>89.58</b>
Stock Option	N.A.	N.A.	N.A.
Service contracts, notice period, severance fees	N.A.	N.A.	N.A.

As per Section 198 of the Companies Act, 2013, Net Profit of the Company is amounting to ₹ 3,845.81 million.

Particulars	(₹ million)	
	Mr. Gaurav Kumar, Chief Financial Officer	Ms. Seema Thapar, Company Secretary
Salary	18.51	2.61
Contribution to PF/ Superannuation/ Gratuity	5.00	0.71
Commission/ Performance Bonus	22.00	2.17
Perquisites	36.22	4.62
<b>Total Remuneration</b>	<b>81.73</b>	<b>10.11</b>
Stock Option	N.A.	N.A.
Service contracts, notice period, severance fees	N.A.	N.A.

Disclosure pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended:

- 1) Managing Director(s)/Whole-time Director are entitled to performance linked incentive in the form of commission / bonus, as a variable component, as approved by the members.
- 2) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for FY22 is as follows: Mr. Onkar Kanwar - 128, Mr. Neeraj Kanwar - 112 and Mr. Satish Sharma - 82.
- 3) The percentage decrease in the remuneration of Mr. Onkar Kanwar and Mr. Neeraj Kanwar for FY22 is 67% over FY21 which is due to reduction in profits.

The percentage increase in the remuneration of Mr. Satish Sharma is 31% for FY22 over the previous financial year. The increase in remuneration is within the limits approved by Shareholders.

The percentage increase in the remuneration of Mr. Gaurav Kumar, Chief Financial Officer is 73% during FY22 over previous financial year. The increase is mainly due to benchmarking of salary as per industry standards. The percentage increase in the remuneration of Ms. Seema Thapar, Company Secretary, is 31% during FY22 over the previous financial year.

The amount of total commission provided to Non-Executive Directors in FY22 is ₹38 million against ₹45 million paid in the FY21.

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

Name of Director	Remuneration for FY22 (₹Million)	% increase in remuneration (commission) during FY22	Ratio to median remuneration of employees
Mr. Akshay Chudasama	4.28	-14	3.91
Ms. Anjali Bansal	1.95	NA	NA
Gen. Bikram Singh (Retd.)	4.28	-14	3.91
Mr. Francesco Gori	4.28	-14	3.91
Ms. Lakshmi Puri	1.81	NA	NA
Ms. Pallavi Shroff	4.28	-14	3.91
Mr. Robert Steinmetz	4.28	-14	3.91
Mr. Sunam Sarkar	4.28	-14	3.91
Mr. Vikram S. Mehta	4.28	-14	3.91
Mr. Vinod Rai	4.28	-14	3.91

- 4) The percentage increase in the median remuneration of employees is 13 %.
- 5) The total number of employees of Company as on March 31, 2022, were 15,979 out of which 8,014 were permanent employees on the rolls of the Company.
- 6) The average percentage increase in the salaries of employees other than the managerial personnel is 20% in FY22 over FY21. Average increase in the remuneration of the employees other than the Managerial Personnel is in line with the industry practice and is within the normal range.
- 7) Remuneration paid to the Directors is in accordance with the remuneration policy of the Company.

#### ii) Non-Executive Directors:

Sitting fees and commission paid/to be paid to the Non-Executive Directors is in pursuance of the resolution passed by the Board.

Name of Director	Sitting fee (₹ Million)	Commission provided for FY22 (₹ Million)	No. of Shares held as on March 31, 2022
Mr. Akshay Chudasama	0.63	4.28	-
Ms. Anjali Bansal	0.08	1.95	-
Gen. Bikram Singh (Retd)	0.34	4.28	-
Mr. Francesco Gori	0.37	4.28	-
Mr. Francesco Crispino*	NIL	NIL	-
Ms. Lakshmi Puri	0.18	1.81	-
Ms. Pallavi Shroff	0.44	4.28	-
Mr. Robert Steinmetz	0.57	4.28	-
Mr. Sunam Sarkar	0.52	4.28	-
Mr. Vikram S. Mehta	0.40	4.28	6,000
Mr. Vinod Rai	0.60	4.28	-
Mr. Vishal Mahadevia*	NIL	NIL	-

\* Mr. Francesco Crispino and Mr. Vishal Mahadevia, Directors had surrendered the sitting fees and commission payable to them as Non-Executive Directors during the year.

An amount of ₹ 38 million be paid and disbursed as commission, amongst the Directors of the Company (other than Managing Directors and Whole-time Director) equally in proportion to their tenure of Directorship for the financial year ended March 31, 2022.

No convertible instruments of the Company were outstanding as on March 31, 2022.

Save as otherwise provided in this report, apart from receiving Directors Remuneration, none of the Non-Executive Directors has any pecuniary relationships or transactions vis-a-vis the Company

#### 4. Directors and Officers Liability Insurance (D&O)

As per the provisions of the Act, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors, Officers, Managers and Employees of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

#### 5. Stakeholders Relationship Committee

Stakeholders Relationship Committee oversees, inter-alia, redressal of shareholder and Investor grievances, transfer/ transmission of Shares, non-receipt of dividend declared, dematerialisation/ rematerialisation of shares and other related matters. The roles and responsibilities of the Stakeholders Relationship Committee as prescribed under the Act and Listing Regulations are mentioned under the terms of reference of the Committee.

##### (a) Constitution and Composition of the Committee

The present Stakeholders Relationship Committee comprises of three Directors viz. Mr. Onkar Kanwar, Mr. Sunam Sarkar and Mr. Akshay Chudasama. Mr. Sunam Sarkar, Non-Executive Non-Independent Director, acts as the Chairman of the Committee.

Pursuant to Regulation 6 of Listing Regulations, Ms. Seema Thapar, Company Secretary, acts as the Compliance Officer of the Company and Secretary to the Committee.

##### (b) Terms of reference

This Committee has been formed with a view to undertake the following: -

- Approval of transmission of shares/debentures issued by the Company, issue of duplicate certificates and certificates after split/consolidation/replacement.
- Looking into the redressal of shareholders' and investors' complaints and other areas of investor services.
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends,

issue of new/ duplicate certificates, general meetings etc.

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### (c) Meetings of Stakeholders Relationship Committee and attendance of members during the year

During FY22, 1(one) meeting of the Stakeholders Relationship Committee was held on May 11, 2021.

Name of Director	Designation	Category of Director	No. of meetings attended
Mr. Onkar Kanwar	Member	Executive	1
Mr. Sunam Sarkar	Chairman	Non-Executive Non-Independent	1
Mr. Akshay Chudasama	Member	Non-Executive Independent	1

### (d) No. of shareholders' complaints received

During FY22, the Company received 15 complaints. As on date, no complaints are pending other than those, which are under litigation, disputes or court orders. All other complaints were attended and resolved to the satisfaction of the shareholders. Also there were no pending complaints at the beginning of the FY22.

All other complaints were attended and resolved to the satisfaction of the shareholders.

## 6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

### (a) A brief outline of the Company's CSR Policy

The Company is committed to incorporating policies, systems and approaches to achieve its positive impact growth objectives. Deeply inherent in our vision statement are the principles of sustainability. The CSR approach stems from our vision statement focusing on "continuously enhancing stakeholder value", which includes the larger society and environment in which the Company operates.

The CSR philosophy of the Company rests on the principle of sustainability and self-reliance. It also embeds a dimension of philanthropy. At the core of Apollo's responsibility belief is stakeholder engagement. Consequently, all the projects the Company has link to its stakeholders, the issues they face and the issues organization has identified to support on philanthropy front.

### (b) Composition of CSR Committee

The Board of Directors had constituted a Corporate Social Responsibility Committee in the year 2014. The present Corporate Social Responsibility Committee comprises of following three Directors viz. Mr. Onkar Kanwar, Mr. Sunam Sarkar and General Bikram Singh (Retd.). Mr. Onkar Kanwar acts as the Chairman of the Committee.

### (c) Meeting of CSR Committee and attendance of members during the year

During FY22, 2(two) meetings of CSR Committee were held on May 11, 2021 and February 2, 2022.

Name of Director	Designation	Category of Director	No. of meetings attended
Mr. Onkar Kanwar	Chairman	Executive	2
Ms. Anjali Bansal (Resigned w.e.f. September 13, 2021)	Member	Non-Executive Independent	1
Mr. Sunam Sarkar	Member	Non-Executive Non-Independent	2
Gen. Bikram Singh (Retd.)	Member	Non-Executive Independent	2

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

The Company Secretary acts as the Secretary to the Committee.

## 7. BUSINESS RESPONSIBILITY & SUSTAINABILITY (BRS) COMMITTEE

The Listing Regulations mandates the top 1000 listed Companies by market capitalisation to provide Business Responsibility Report ("BR Report") in their Annual Report describing the initiatives taken by the Company from an environmental, social and governance perspective in the format specified by the SEBI.

The Company follows following nine core principles as prescribed by SEBI and the entire BR Report is based on actions taken by the Company for the adoption of these principles:

- i. Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- ii. Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- iii. Businesses should promote the wellbeing of all employees.
- iv. Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- v. Businesses should respect and promote human rights.
- vi. Business should respect, protect, and make efforts to restore the environment.
- vii. Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- viii. Businesses should support inclusive growth and equitable development.
- ix. Businesses should engage with and provide value to their customers and consumers in a responsible manner.

The Board of Directors, at its meeting held on May 10, 2016, had constituted a "Business Responsibility Committee" and at its meeting held on October 29, 2021, renamed the Committee to "Business Responsibility and Sustainability Committee" (BRS) in view of the enhanced roles of the Committee.

#### (a) Composition of BRS Committee

The BRS Committee comprises of four Directors viz. Mr. Onkar Kanwar, Mr. Neeraj Kanwar, Mr. Sunam Sarkar and Mr. Akshay Chudasama. Mr. Onkar Kanwar acts as the Chairman of the Committee.

#### (b) Meeting of BRS Committee and attendance of members during the year

During FY22, a meeting of BR Committee was held on May 12, 2021.

Name of Director	Designation	Category of Director	No. of meetings attended
Mr. Onkar Kanwar	Chairman	Executive	1
Mr. Neeraj Kanwar	Member	Executive	1

Name of Director	Designation	Category of Director	No. of meetings attended
Mr. Sunam Sarkar	Member	Non-Executive Non-Independent	1
Mr. Akshay Chudasama	Member	Non-Executive Non-Independent	1

The Company Secretary acts as the Secretary to the Committee.

## 8. RISK MANAGEMENT COMMITTEE

The Board at its meeting held on February 5, 2019, had constituted a Risk Management Committee (RMC) of the Board comprising of Directors and Senior Executives of the Company.

During FY22, 4 (four) meetings of RMC were held on May 11, 2021, August 3, 2021, October 28, 2021 and February 1, 2022.

Name of Director / Official	Designation	Category of Director / Official	No. of meetings attended
Mr. Sunam Sarkar	Chairman	Non-Executive Non-Independent	4
Mr. Francesco Gori	Member	Non-Executive Non-Independent	4
Mr. Robert Steinmetz	Member	Non-Executive Non-Independent	4
Mr. Satish Sharma	Member	Executive	4
Mr. Vikram S. Mehta	Member	Non-Executive Independent	4
Mr. Benoit Rivallant	Member	President (Europe)	4
Mr. Gaurav Kumar	Member	Chief Financial Officer	4

Ms. Seema Thapar, Company Secretary, acts as Secretary to the Committee.

The roles and responsibilities of the Risk Management Committee are as follows:-

- Develop and maintain Risk Management charter and policies.
- Advise business units and corporate functions on risk initiatives.
- Spearhead Risk Management initiative within the Company.
- Monitor emerging issues and share best practices.

- Improve Risk Management techniques and enhances awareness.
- Set standards for risk documentation and monitoring.
- Recommend training programs for relevant official with specific Risk Management responsibilities.
- Assess and manage risk for Company as a whole at global level.
- Review and approve the Risk Register prepared by the Chief Risk Officers.
- Any other role or responsibility as may be delegated by the Board of Directors from time to time.

In addition to the above, the Committee also adheres to the roles and responsibilities as specified in Clause C of Part D under Schedule II of Listing Regulations.

The Chairman of the Risk Management Committee makes the presentation before the Board on the major high risks of APMEA, Europe Region and Corporate Functions.

## 9. CEO/CFO CERTIFICATION

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

## 10. GENERAL BODY MEETINGS

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

Financial Year	Date	Time	Venue	Special Resolution Passed
2020-21	July 23, 2021	03:00 PM	Through Video Conference	1) Authorization for Private Placement of NCDs 2) Remuneration of Mr. Satish Sharma, Whole-time Director
2019-20	August 20, 2020	03:10 PM	Through Video Conference	Re-appointment of Gen. Bikram Singh (Retd.) (DIN: 07259060) as an Independent Director.
2018-19	July 31, 2019	10:00 AM	Kerala Fine Arts Theatre, Fine Arts Avenue, Foreshore Road, Ernakulam, Kochi (Kerala)	1) Appointment of Mr. Robert Steinmetz (DIN: 00178792) as a Director. 2) Re-appointment of Mr. Akshay Chudasama (DIN: 00010630) as an Independent Director. 3) Re-appointment of Mr. Vikram S. Mehta (DIN: 00041197) as an Independent Director. 4) Authorization for Private Placement of NCDs

### (b) Resolution passed last year through Postal Ballot:

Resolution passed during FY22: Pursuant to Section 110 of the Companies Act, 2013, read with the Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company had conducted the following voting through Postal Ballot (Including Electronic Voting) and sent the Postal Ballot Notice to members. The following resolutions were passed through Postal Ballot:-

### Resolution passed on December 19, 2021

Last Date of Dispatch of Postal Ballot Notice	Ordinary/Special Resolution	Item approved by the shareholders
November 19, 2021	Ordinary Resolution	Appointment of Ms. Lakshmi Puri (DIN: 09329003) as a Non-Executive Independent Director.

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

**Appointment of Ms Lakshmi Puri (DIN:09329003) as a Independent Director- As an Ordinary Resolution**

Particulars	Remote e-Voting
Total number of Valid Votes	50,83,45,663
Votes cast in favour of the Resolution	50,83,18,420
Votes cast against the Resolution	27,243
Number of Invalid Votes	-

- (c) No Special Resolution was passed through Postal Ballot during FY22.
- (d) Mr. P.P. Zibi Jose, Practicing Company Secretary, was appointed as the Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner.
- (e) Procedure for Postal Ballot: Where a Company is required or decides to pass any resolution by way of Postal Ballot, it shall send a notice to all the shareholders, along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a Postal Ballot because Postal Ballot means voting by post or through electronic means within a period of thirty days from the date of dispatch of the notice. However, during FY22, the Company has not sent the physical Ballot Paper due to relaxation provided by Ministry of Corporate Affairs. Your Company has followed the aforesaid procedure stipulated in the Companies Act, 2013 and has carried out Postal Ballot for the item mentioned above.
- (f) As on date of this report, your Company does not propose to pass any Special Resolution for the time being by way of Postal Ballot

**11) DISCLOSURES**

**(a) Related Party Transactions**

In Compliance with Section 188 of the Companies Act, 2013, Regulation 23 of Listing Regulations and rules as applicable, the Company has framed a Policy on Related Party Transactions including policy on materiality of related party transactions. The policy is to regulate transactions between the Company and its related parties based on the laws and regulations applicable to the Company. The policy had become effective from October 1, 2014.

Further, there is no transaction of the Company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company.

During the year, no transaction of material nature has been entered into by the Company with its Promoters, the Directors or the Management, their subsidiary or

relatives etc. that may have a potential conflict with the interests of the Company. Related Parties transactions with them as required under Indian Accounting Standard (Ind AS-24) are furnished under Notes on Accounts attached with the financial statements for the year ended March 31, 2022.

**(b) Disclosure of accounting treatment**

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

**(c) Risk Management**

The Company has a well laid out Risk Management Policy, covering the process of identifying, assessing, mitigating, reporting and reviewing critical risks impacting the achievement of Company's objectives. There is an ongoing process to track the evolution of risks and delivery of mitigating action plans. During the year under review, the risk assessment and mitigation procedures are periodically updated to the Board through the Audit Committee.

The Company has formed Internal Risk Committees (IRCs), which review risk registers for Asia Pacific Middle East Africa (APMEA) including India, Europe region and Corporate Functions including United States (US) region headed by President (APMEA), President (Europe) and Chief Financial Officer as Chairman of the respective Committees and represented by the functional heads as Chief Risk Officers. The Committees review each risk on a quarterly basis and evaluate its impact and plans for mitigation. Few cross-functioning teams have been formed to share the common risks between dependent functions to avoid overlap of risks. The risks duly aligned with the organisation objectives, documented in the form of risk register are placed before Risk Management Committee. The Risk Management Committee of the Company reviews the risks of APMEA, Europe and US region, corporate functions and provides its directions to the management, if any.

In the opinion of the Board, there has been no identified element of risk that may threaten the existence of the Company.

**(d) Compliance by the Company**

The Company has materially complied with the requirements of the SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI or any other statutory authority except the penalty imposed by Competition Commission of India, as mentioned in Board's Report, against which the Company has proceeded with an appeal against the judgement and sought stay on the order before the National Company Law Appellate Tribunal. The Company has developed an integrated compliance dashboard which provides reasonable assurance to the Management and the

Board of Directors regarding effectiveness of timely compliances. All the Compliances applicable to the Company have been captured in the Dashboard and are mapped amongst the respective users. The timelines are fixed based on the legal requirement and the system is aligned in such a manner that it alerts the users on a timely manner.

The Company in order to further strengthen its compliance reporting and management system for its overseas subsidiaries, had also rolled out a Global Regulatory Compliance System ("Compliance Management System/Tool").

The Compliance Dashboard captures the compliances applicable to the Company at Indian level as well as the international laws applicable to the overseas subsidiaries. The Compliance dashboard also covers the compliances relating to the codes and policies.

The dashboard has been documented to provide a comprehensive view of:

- applicable laws to the Company;
- key control points;
- allocation of responsibilities.

#### (e) Transfer of Unclaimed/ Undelivered Shares

In terms with the provisions of Regulation 39(4) read with Schedule VI of Listing Regulations, the unclaimed/ undelivered shares lying in the possession of the Company are required to be dematerialised and transferred into a "Unclaimed Suspense Account" held by the Company. The status of unclaimed shares as on March 31, 2022 lying in "Unclaimed Suspense Account"/"Transferred to IEPFA Account" is as under:-

Particulars	No. of Shareholders	No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year, i.e. April 1, 2021	Nil	Nil
Shares transferred from NSDL after Rectification on September 3, 2021	19	4,404
Number of shareholders to whom shares were transferred from suspense account during the year	1	500
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year, i.e. March 31, 2022	18	3,904

In terms of Section 124(6) of the Companies Act, 2013 ("Act") read with Rule 6 of Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ("Rules"), members whose dividend amount has not been paid or claimed for seven consecutive years or more, shares held by them shall be credited to the DEMAT Account of the Investor Education and Protection Fund Authority (IEPFA). During FY21, 3,130 shares held by aforesaid members, were transferred to the DEMAT Account of IEPFA constituted in accordance with the Rules, on December 28, 2020. Further, 4404 shares were reversed by the IEPFA on September 3, 2021. 500 shares were released from Apollo Tyres Ltd - Unclaimed suspense account on September 7, 2021. As on March 31, 2022, 3904 shares are appearing in the Apollo Tyres Ltd - Unclaimed suspense account.

The unclaimed or unpaid dividend which have already been transferred and the shares which are transferred, can be claimed back by the shareholders from IEPFA by following the procedure given on its website i.e. <http://iepf.gov.in/IEPFA/refund.html>.

**Nodal Officer:-** Pursuant to Rule 7(2A) of the IEPF Rules, Ms. Seema Thapar, Company Secretary & Compliance Officer, is appointed as Nodal Officer of the Company.

#### (f) Disclosure in terms of Regulation 34(3) read with Schedule V Part C of Listing Regulations.

There are no inter-se relationships between the Board members except Mr. Onkar Kanwar and Mr. Neeraj Kanwar being father and son.

## 12) MEANS OF COMMUNICATION

- As per Regulation 47(1)(b) of the Listing Regulations, an extract of the detailed format of Quarterly/Annual Financial Results is filed with the Stock Exchanges under Regulation 33 of the Listing Regulations. The results in prescribed format are published in the Newspapers viz. Financial Express (National Daily) and Kerala Kaumudi (Regional Daily). The Quarterly/Annual Financial Results are also available on the Company's website and Stock Exchange websites [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).
- All material information about the Company is promptly sent to the stock exchanges and the Company regularly updates the media and investor community about its financial as well as other organisational developments.
- The transcript of the Analyst/Investor Conference Call is posted on the website of the Company.
- In view of the continuing pandemic scenario and owing to the difficulties involved in dispatching of physical copies of Annual Report, the Ministry of Corporate Affairs ("MCA") has vide its Circular No.

14/2020 (dated April 8, 2020), Circular No.17/2020 (dated April 13, 2020) Circular No. 20/2020 (dated May 5, 2020), Circular No. 02/2021 (dated January 13, 2021), and Circular No. 2/2022 (dated May 5, 2022) and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 (dated May 12, 2020), Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 (dated January 15, 2021) and SEBI/HO/CFD/CMD2/CIR/P/2022 (dated May 13, 2022), directed the Companies to send the Annual Report by e-mail to all the Members of the Company except to those Members who request for hard copy. Therefore, the Annual Report for FY22 and Notice of the AGM of the Company is being sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars. The Annual Report containing, inter-alia, Notice of Annual General Meeting, Audited Financial Statement, Consolidated Financial Statement, Board's Report, Management Discussion and Analysis, Corporate Governance Report, Auditors' Report and other important information are also displayed on the Company's website ([www.apollotyres.com](http://www.apollotyres.com)).

- NSE Electronic Application Processing System (NEAPS)- is a web-based application designed by NSE for Corporates. All periodical and other compliance filings are filed electronically on NEAPS. All the announcements are filed with NSE through the recently launched digital portal of NSE.
- BSE Listing Centre (Listing Centre)- BSE's Listing Centre is a web-based application designed for corporates. All periodical and other compliance related filings are filed electronically on the listing centre.
- SEBI Complaints Redress System (SCORES): The investors' complaints are also being processed through the centralised web-based complaint redressal system. The salient features of SCORES are availability of centralised database of the complaints and uploading online action taken reports by the Company. Through SCORES the investors can view online, the actions taken and current status of the complaints. In its efforts to improve ease of doing business, SEBI has launched a mobile app "SEBI SCORES", making it easier for investors to lodge their grievances with SEBI, as they can now access SCORES at their convenience of a smart phone.
- Investor Relations (IR)- Your Company continuously strives for excellence in its IR engagement with International and Domestic investors. Structured conference calls and periodic investor/analyst interactions, quarterly earnings calls and analyst meets were organised during the year. Your Company always believes in leading from the front with emerging best practices in IR and building

a relationship of mutual understanding with investor/analysts.

### 13) GENERAL SHAREHOLDER INFORMATION

**(a) Registered Office** 3rd Floor  
Areekal Mansion,  
Panampilly Nagar,  
Kochi- 682036, Kerala, India  
Ph:-91 484 4012046, 4012047  
Fax: 91 484 4012048

#### **(b) Annual General Meeting (AGM):**

The ensuing AGM of the Company will be held on Monday July 11, 2022, at 3:00 PM through video conferencing or other audio visual means. Notice of the ensuing AGM is separately provided along with the Annual Report.

#### **(c) Financial Calendar for FY23**

Quarter	Period ending	Date / Period
First quarter	June 30, 2022	On or before August 14, 2022
Second quarter/ half yearly	September 30, 2022	On or before November 14, 2022
Third quarter	December 31, 2022	On or before February 14, 2023
Fourth quarter/ year	March 31, 2023	On or before May 30, 2023

#### **(d) Trading window closure**

The trading restriction period shall be made applicable from the end of every quarter till 48 hours after the declaration of financial results.

#### **(e) Dividend Payment**

The dividend of ₹ 3.25 per equity share for the FY22, subject to approval from shareholders, has been recommended by the Board of Directors. The same shall be paid on or before 30 days from the date of AGM.

#### **(f) Unclaimed Dividends**

In terms of Section 124(5) of the Companies Act, 2013 ("Act") if a member does not claim the dividend amount for a consecutive period of seven years or more, the unclaimed amount shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

During the year, the Company had transferred ₹ 32,87,925/- lying unclaimed in Unpaid Dividend Account in respect of Dividend for the year 2013-14 to the said Fund on September 6, 2021.

## (g) Listing at Stock Exchanges

1. National Stock Exchange of India Ltd  
Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai-400 051  
T: +91 22 26598100-14  
F: +91 22 26598237-38  
E: [cmlist@nse.co.in](mailto:cmlist@nse.co.in)

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

The annual listing fee for FY22 has been paid to all the aforesaid stock exchanges.

## (h) Stock Code

BSE Ltd. 500877  
National Stock Exchange of India Ltd. APOLLOTYRE

## (i) Stock Market Price Data for FY22:

### The Company's share price on NSE and Nifty Index

Month	NSE			Nifty Index	
	High (₹)	Low (₹)	Volume (in million)	High (₹)	Low (₹)
April, 2021	236.90	198.55	139.24	15,044.35	14,151.40
May, 2021	228.70	204.55	160.12	15,606.35	14,416.25
June, 2021	243.00	218.50	113.56	15,915.65	15,450.90
July, 2021	241.00	215.60	88.93	15,962.25	15,513.45
August, 2021	231.95	203.35	82.8	17,153.50	15,834.65
September, 2021	239.85	213.05	85.48	17,947.65	17,055.05
October, 2021	250.00	208.10	87.5	18,604.45	17,452.90
November, 2021	237.00	200.80	57.82	18,210.15	16,782.40
December, 2021	221.10	197.80	44.73	17,639.50	16,410.20
January, 2022	245.00	205.50	60.12	18,350.95	16,836.80
February, 2022	230.50	176.45	85.73	17,794.60	16,203.25
March, 2022	194.90	165.25	79.29	17,559.80	15,671.45

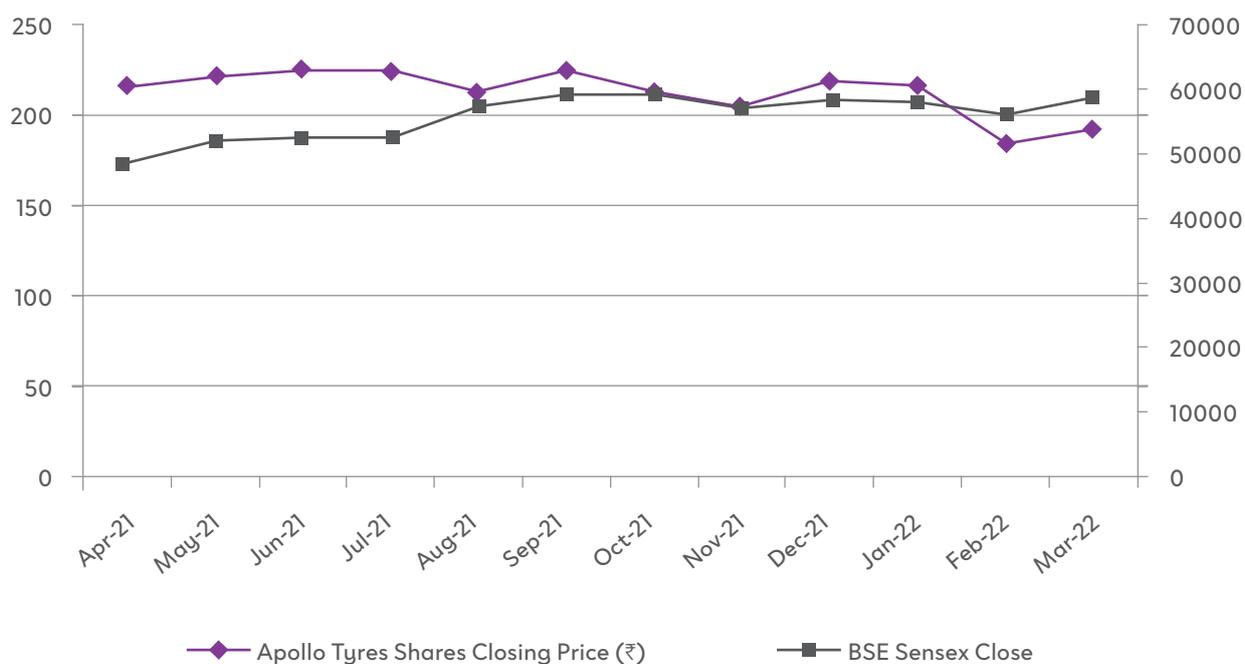
### Apollo Tyres Shares Closing Price (₹) vis-à-vis NSE Nifty Close



## The Company's share price on BSE and Sensex

Month	BSE			SENSEX	
	High (₹)	Low (₹)	Volume (in million)	High (₹)	Low (₹)
April,2021	237.15	198.20	7.39	50,375.77	47,204.50
May,2021	228.55	204.70	9.05	52,013.22	48,028.07
June,2021	243.00	218.50	6.12	53,126.73	51,450.58
July,2021	240.95	215.55	5.19	53,290.81	51,802.73
August,2021	232.00	203.45	4.97	57,625.26	52,804.08
September,2021	239.75	212.55	4.86	60,412.32	57,263.90
October,2021	250.00	208.25	5.43	62,245.43	58,551.14
November,2021	236.95	200.85	4.00	61,036.56	56,382.93
December,2021	222.05	197.85	2.55	59,203.37	55,132.68
January,2022	245.00	205.60	3.25	61,475.15	56,409.63
February,2022	230.40	176.65	5.11	59,618.51	54,383.20
March,2022	194.80	165.40	4.13	58,890.92	52,260.82

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



## (j) Shares Traded during April 1, 2021 to March 31, 2022

Particulars	BSE	NSE
No. of shares traded (in million)	63.86	1,085.32
Highest Share Price (in ₹)	250.00	250.00
Lowest Share Price (in ₹)	165.40	165.25
Closing Share Price (as on March 31, 2022)	191.10	191.00
Market Capitalisation (as on March 31, 2022) (₹ in million)	121,367.79	121,304.28

## (k) Elimination of Duplicate Mailing

The shareholders who are holding physical shares in more than one folio in identical name, or in joint holder's name in similar order, may send the Share Certificate(s), along with request for consolidation of holding in one folio, to avoid mailing of multiple annual reports.

## (l) Share Transfer System

SEBI has mandated that, effective April 1, 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgment of transfer of shares in physical form. The Company had sent communication to the shareholders encouraging them to dematerialise their holding in the Company. The communication, inter alia, contained procedure for getting the shares dematerialised. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.

As per the requirement of Regulation 40(9) & 61(4) of Listing Regulations, the Company has obtained the yearly certificates from the Company Secretary in practice for due compliance of share transfer formalities.

## (m) Distribution of Shareholding

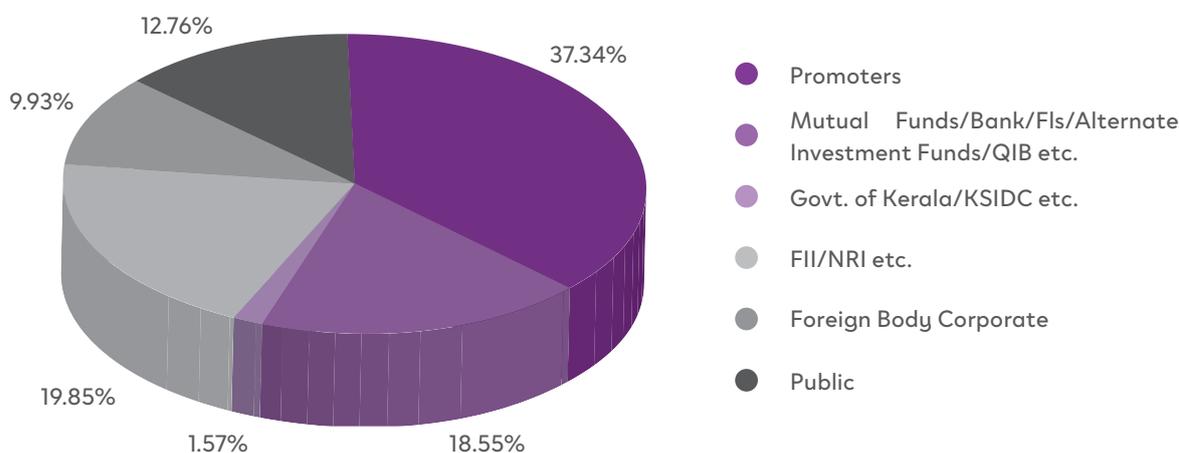
The following is the distribution of shareholding of equity shares of the Company as on March 31, 2022:-

Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of shareholding
UPTO 5000	332,170	99.68	48,520,536	7.64
5001 - 10000	521	0.16	3,839,995	0.60
10001 - 20000	194	0.06	2,825,966	0.44
20001 - 30000	76	0.02	1,910,890	0.30
30001 - 40000	36	0.01	1,266,634	0.20
40001 - 50000	23	0.01	1,049,505	0.17
50001 - 100000	47	0.01	3,403,001	0.54
100001 AND ABOVE	179	0.05	572,284,419	90.11
<b>Grand Total</b>	<b>333,246</b>	<b>100.00</b>	<b>635,100,946</b>	<b>100.00</b>

The Promoter and Promoter group hold 237.17 million shares constituting 37.34% of the share capital of the Company as on March 31, 2022.

### Categories of shareholders as on March 31, 2022

Category	No. of shares	%age
Promoters	237,165,403	37.34
Mutual Funds/Bank/Fis/Alternate Investment Fund/QIB Etc.	117,801,900	18.55
Govt. Of Kerala/KSIDC etc.	10,001,500	1.57
FII/NRI etc.	126,036,618	19.85
FOREIGN BODY CORPORATE	63,050,966	9.93
Public	81,044,559	12.76
<b>Total</b>	<b>635,100,946</b>	<b>100.00</b>



## (n) Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Company Secretary in practice conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e. NSDL and CDSL, and the total issued and listed capital of the Company.

The Company Secretary in practice conducts such audit in every quarter and issues a Reconciliation of Share Capital Audit Certificate to this effect to the Company. A copy of such audit report is submitted to the stock exchanges, where the Company's shares are listed and also placed before the Board.

## (o) Dematerialisation of Shares and Liquidity

The equity shares of the Company are being traded under compulsorily demat form as per SEBI notification. The Company's shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE438A01022.

As on March 31, 2022, 98.78% of the share capital stands dematerialised. BSE and NSE have permitted trading of Apollo Tyres' share into future and option (F&O) segment w.e.f. February 19, 2010.

## (p) Share Transfer/Demat Registry work

With effect from April 1, 2021, all permitted share transfers/Transmission/demat are being processed by the following Registrar and Transfer Agent :-

### **KFin Technologies Limited**

Selenium, Plot No. 31 & 32, Tower-B,  
Serilingampally, Nanakramguda,  
Financial District, Hyderabad-500032,  
State of Telangana  
Tel No. 040 67162222; Fax No. 040 23001153  
Toll Free Number: 1800 309 4001  
Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website: <https://kfintech.com/>

## (q) Share Transfer Department

All communications regarding change of address for shares held in physical form, dividend etc. should be sent at the Company's RTA Office at:-

### **KFin Technologies Limited**

Selenium, Plot No. 31 & 32, Tower-B,  
Serilingampally, Nanakramguda,  
Financial District, Hyderabad-500032,  
State of Telangana

Tel No. 040 67162222; Fax No. 040 23001153

Toll Free Number: 1800 309 4001

Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

Website: <https://kfintech.com/>

## (r) ECS Mandate

All shareholders are requested to update their bank account details with their respective depositories urgently. This would facilitate transfer of dividend directly to the bank account of the shareholders.

## (s) Participation & Voting at AGM

Pursuant to the General Circular numbers 20/2020, 14/2020, 17/2020, 02/2021, 02/2022 issued by the Ministry of Corporate Affairs and Circular numbers SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022 issued by SEBI, the 49<sup>th</sup> AGM of the Company will be held through video-conferencing and the detailed instructions for participation and voting at the meeting is available in the notice of the 49<sup>th</sup> AGM.

### **Register e-mail address**

To contribute towards greener environment, the Company proposes to send documents like shareholders meeting notice/other notices, audited financial statements board's report, auditors' report or any other document, to members in electronic form at the e-mail address provided by them and/or available to the Company by the Depositories.

Members who have not yet registered their e-mail address (including those who wish to change their already registered e-mail address) may get the same registered/updated either with their depository participants or by writing to the Registrar & Transfer Agent of the Company.

## (t) Plant Location:

1. Perambra, P O Chalakudy,  
Trichur 680 689, Kerala
2. Limda, Taluka Waghodia,  
Dist. Vadodara 391 760, Gujarat
3. SIPCOT Industrial Growth Centre,  
Oragadam, Chennai, Tamil Nadu
4. Kalamassery,  
Alwaye,  
Kerala – 683 104
5. Chinnapandur Village,  
Varadaiahpalem Mandal, Near Sricity,  
Chittoor District- 517541  
Andhra Pradesh
6. Ir. Schiffstraat 370,  
7547 RD Enschede, The Netherlands

7. H-3212 Gyöngyöshalász,  
Road no.: 3210, Plot no.: 0106, Hungary

**(u) Address for correspondence**

for share transfer/demat of shares, payment of dividend and any other query relating to shares.

**KFin Technologies Limited**

Selenium, Plot No. 31 & 32, Tower-B,  
Serilingampally, Nanakramguda,  
Financial District, Hyderabad-500032,  
State of Telangana  
Tel No. 040 67162222; Fax No. 040 23001153  
Toll Free Number: 1800 309 4001  
Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website: <https://kfintech.com/>

(v) As on March 31, 2022, there were no outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

**(w) Adoption of mandatory and discretionary requirements of Corporate Governance as specified in Regulations 17 to 27 and Regulation 34(3) read with Schedule V (C) of the Listing Regulations**

The Company has complied with all mandatory requirements of corporate governance with respect to Regulations 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of Listing Regulations. Furthermore, the Company has complied with the requirements of the Schedule V of SEBI Listing Regulations in connection with disclosures in this report.

**CG Compliances**

Particulars	Regulation	Compliance Status (Yes/No/NA)
Independent Director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	YES
Board composition	17(1), 17(1A) & 17(1B)	YES
Meeting of Board of Directors	17(2)	YES
Quorum of Board meeting	17(2A)	YES
Review of Compliance Reports	17(3)	YES
Plans for orderly succession for appointments	17(4)	YES
Code of Conduct	17(5)	YES
Fees/Compensation	17(6)	YES
Minimum Information	17(7)	YES
Compliance Certificate	17(8)	YES
Risk Assessment & Management	17(9)	YES
Performance Evaluation of Independent Directors	17(10)	YES
Recommendation of Board	17(11)	YES
Maximum number of Directorships	17A	YES
Composition of Audit Committee	18(1)	YES
Meeting of Audit Committee	18(2)	YES
Composition of Nomination & Remuneration Committee	19(1) & (2)	YES
Quorum of Nomination and Remuneration Committee meeting	19(2A)	YES
Meeting of Nomination and Remuneration Committee	19(3A)	YES
Composition of Stakeholder Relationship Committee	20(1), 20(2) & 20(2A)	YES
Meeting of Stakeholders Relationship Committee	20(3A)	YES
Composition and role of Risk Management Committee	21(1),(2),(3),(4)	YES
Meeting of Risk Management Committee	21(3A)	YES
Vigil Mechanism	22	YES
Policy for related party Transaction	23(1), (1A), (5), (6), (7) & (8)	YES
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	YES
Approval for material related party transactions	23(4)	YES
Disclosure of related party transactions on consolidated basis	23(9)	YES
Composition of Board of Directors of unlisted material Subsidiary	24(1)	YES

Particulars	Regulation	Compliance Status (Yes/No/NA)
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	YES
Annual Secretarial Compliance Report	24(A)	YES
Alternate Director to Independent Director	25(1)	N.A.
Maximum Tenure	25(2)	YES
Meeting of Independent Directors	25(3) & (4)	YES
Familiarization of Independent Directors	25(7)	YES
Declaration from Independent Director	25(8) & (9)	YES
D & O Insurance for Independent Directors	25(10)	YES
Memberships in Committees	26(1)	YES
Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	26(3)	YES
Disclosure of Shareholding by Non-Executive Directors	26(4)	YES
Policy with respect to Obligations of Directors and Senior Management	26(2) & 26(5)	YES

The Company has adopted following discretionary requirements of Regulation 27 read with Schedule II Part E of the Listing Regulations:-

#### Modified Opinion(s) in audit report

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

#### Reporting of internal auditor

The internal auditor is reporting directly to the Audit Committee.

(x) As on March 31, 2022, our shares were not suspended from trading.

(y) **Commodity price risk or foreign exchange risk and hedging activities during the FY22.**

The Company enters into a variety of derivative financial instruments like options, forwards & futures contract and currency & interest rate swaps, to hedge foreign exchange rate risk and interest rate risk. The hedging is done as per the Board approved policy. The Company, at all the times, comply with all the RBI hedging guidelines that are prescribed from time to time.

The Company's exchange rate risk arises mainly from import (of raw material and capital items) and export (of finished goods) and follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Company, the Company uses the above mentioned derivative instruments to manage its exposure.

The Company's interest rate risk arises as the Company borrows funds at both fixed and floating interest rates. Some amount of this risk is managed by the Company through maintaining an appropriate mix of fixed and floating rate borrowings and also through an appropriate amount of interest rate swaps, especially, to hedge the floating rate borrowings to fixed one.

#### Exposure of the Company to various commodities:

Commodity Name	Exposure in ₹ towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
Natural Rubber	₹ 3,191 crores	1,79,000 MT	Nil	Nil	Nil	Nil	Nil

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

The Company manages the Natural Rubber Supply Chain through a stringent process of Supplier Selection, Regular Supplier Assessment and Vendor Development initiatives. The Risk management methodology uses a combination of Contract Purchases and Spot Buying as per the Production Plans. The Company follows the approach of sourcing from multiple regions and locations to offset the impact of any region specific disruptions. The Company manages the grade mix of Natural Rubber in line with the production requirements at its manufacturing locations. Multiple Vendor Sourcing Policy is followed to broad base the supplier portfolio resulting in diversification and Risk Mitigation.

- (z) **Loans and advances in the nature of loans to firms/ companies in which Directors are interested:** Please refer details under disclosure of related party transactions in notes forming part of the financial statements.

## 14) ADDITIONAL INFORMATION

### (a) Investor Relations Section

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

Contact person : Ms. Seema Thapar, Compliance Officer  
 Time : 10:00 AM to 6:00 PM on all working days of the Company (except Saturdays and Sundays)  
 T: : +91 124 2721000  
 F: : +91 124 2383351  
 E: : investors@apolotyres.com

### (b) Bankers

Axis Bank Ltd.  
 Bank of India  
 BNP Paribas  
 Citibank N.A.  
 Federal Bank  
 HDFC Bank Ltd.  
 ICICI Bank Ltd.  
 IDBI Bank Ltd.  
 Kotak Mahindra Bank Ltd.  
 Mizuho Bank Ltd.  
 Standard Chartered Bank  
 State Bank of India  
 Sumitomo Mitsui Banking Corporation  
 The Bank of Nova Scotia  
 The Hongkong and Shanghai Banking Corporation Limited  
 Union Bank of India  
 RBL Bank Ltd.

### (c) Credit Rating

During the year, the following rating agencies, rated our bank facilities and other debt programs as under:-

- i) On May 28, 2021, CRISIL has reaffirmed the following rating:

Long-Term Rating: CRISIL AA+/Stable (Includes Loan-Term Loan, Fund Based Banking Facilities like Cash Credit etc.)

Short-Term Rating: CRISIL A1+ (Commercial Paper, Non-Fund Based Banking Facilities like Letter Of Credit etc.)

- ii) On March 2, 2022, India Ratings and Research (Ind-Ra) has reaffirmed the following rating:

Long-Term Rating: IND AA+/Stable (Includes Loan-Term Loan, Fund Based Banking Facilities like Cash Credit etc.)

Short-Term Rating: IND A1+ (Commercial Paper, Non-Fund Based Banking Facilities like Letter Of Credit etc.)

### (d) Auditors

M/s. Walker Chandio & Co LLP, Chartered Accountants.

### (e) Cost Auditors

M/s. N.P. Gopalakrishnan & Co., Cost Accountants.

With reference to the General Circular No. 15/2011 – 52/5/CAB-2011 dated April 11, 2011, issued by the Government of India, Ministry of Corporate Affairs, Cost Audit Branch, New Delhi, following are the details of Cost Auditor and filing of cost audit report with Central Government:

Particulars of the Cost Auditor	Details of Cost Audit Report filed for the period ended March 31, 2021
Mr.N.P.Sukumaran (M No.4503) Apartment No.311, 4th Floor, D.D.Vyapar Bhawan, K.P.Vallon Road, Kadavanthra P O, Kochi - 682 020(Kerala) E-mail : npgco@gmail.com	Filing date: October 1, 2021

### (f) Code of Conduct for Prevention of Insider Trading

In compliance with the SEBI regulations on prevention of insider trading, the Company has formulated a comprehensive Code of Conduct for 'Prevention of Insider Trading' in the securities of the Company. This Code of Conduct is applicable to Promoters, Directors, Chiefs, Vice President/ Group Heads, Heads and such

other employees of the Company and others who are expected to have access to unpublished price sensitive information.

The Board at its meeting held on May 12, 2015, has approved the Code of Conduct for Prevention of Insider Trading, in terms with the SEBI (Prohibition of Insider Trading) Regulations, 2015, effective from May 15, 2015.

The Code of Conduct lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with the shares of the Company, and cautioning them of consequences of violations. The Company Secretary of the Company is the Compliance Officer.

Pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, which was effective from April 1, 2019, the existing Code of Conduct to Regulate, Monitor and Report Trading by Insiders was amended to align with the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018.

The Company has put in place, all the systems and procedures to ensure the compliances of Insider Trading Regulations. The Company has an "Insider Trading Tool" which acts as the structured digital database of the designated persons/ insiders.

During FY22, the Company had conducted several awareness sessions on insider trading for the Designated persons.

#### **(g) Code of Conduct for Directors and Senior Management**

The Board of Directors of Apollo Tyres Ltd. has laid down a code of business conduct called "The Code of Conduct for Directors and Senior Management". The Code envisages that Board of Directors and Senior Management must act within the bounds of the authority conferred upon them and with a duty to make and keep themselves informed about the development in the industry in which the Company is involved and the legal requirements to be fulfilled.

The Code is applicable to all the Directors and Senior Management of the Company. The Company Secretary of the Company is the Compliance Officer.

#### **Declaration Affirming Compliance of provisions of the Code of Conduct**

To the best of my knowledge and belief and on the basis of declarations given to me, I hereby affirm that all the Board members and the Senior Management Personnel have fully complied with the provisions of the Code of Conduct for Directors and Senior Management Personnel during the financial year ended March 31, 2022.

**ONKAR KANWAR**  
Chairman & Managing Director

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

Apollo Tyres Ltd. believes in the conduct of its business affair in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. In order to inculcate accountability and transparency in its business conduct, the Company has been constantly reviewing its existing systems and procedures. Your Company has approved a Whistle Blower Policy which will enable all employees, Directors and other stakeholders to raise their genuine concerns internally in a responsible and effective manner if and when they discover information which they believe shows serious malpractice or irregularity within the Company and/or to report to the management instances of unethical behavior, actual or suspected, fraud or violation of Company's Code of Conduct or Ethics Policy. The Audit Committee of the Company periodically reviews the functioning of whistle blower mechanism.

In terms with the policy, an Internal Grievance Redressal Committee (IC) has been constituted by the Company, which is headed by the Chairman of the Audit Committee of the Board. Company Secretary of the Company acts as an Ombudsman who, on receipt of complaint, examines the possible intentions and genuineness of the disclosure in advance before referring it to the IC for investigations. The IC, after investigation, submits a report to the Audit Committee.

No personnel of the Company has been denied access to the Audit Committee.

No complaint under whistle blower policy has been received during FY22.

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

The Board at its meeting held on May 12, 2015, has approved the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, in terms with the SEBI (Prohibition of Insider Trading) Regulations, 2015, effective from May 15, 2015.

The Code lays down broad standards of compliance and ethics, as required by Listing Regulations and other applicable SEBI regulations. The Code is required to be complied in respect of all corporate disclosures in respect of the Company and/or its Subsidiary Companies, including Overseas Subsidiaries.

The Company Secretary of the Company is the Compliance Officer.

Pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which was effective from April 1, 2019, the existing Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information was amended to align with the SEBI (Prohibition of Insider Trading) Amendment

Regulations, 2018. The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information was approved/ratified by the Board on May 9, 2019.

The Board has also approved/ratified the Policy and Procedure for reporting and inquiry in case of leak or suspected leak of unpublished price sensitive information as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

**(j) Policy to prevent and deal with sexual harassment**

The Company is an equal employment opportunity employer and is committed to creating a healthy and productive work environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company believes that an act of sexual harassment results in the violation of the fundamental rights. Such acts violate the right to equality, right to life and to live with dignity and right to practice any profession or to carry on any occupation, trade or business, which also includes a right to have a safe and healthy work environment free from sexual harassment.

In keeping with its belief and in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereof, the Company adopts the policy to prevent and deal with sexual harassment at the workplace. The Company is committed to provide to all employees who are present at the workplace, a work environment free from sexual harassment, intimidation and exploitation.

Status of the Complaint received relating to Sexual harassment during FY22:-

Particulars	No. of Complaints
Number of complaints filed during the financial year	Nil
Number of complaints disposed off during the financial year	N.A.
Number of complaints pending as on end of the financial year	N.A.

The Company conduct, from time to time, the awareness sessions on prevention of sexual harassment at workplace for its employees.

**(k) Familiarisation Programme for Independent Directors**

The Company has adopted a familiarisation programme for Independent Directors with an objective of making the Independent Directors of the Company accustomed with the business and operations of the Company through various structured oriented programme. The familiarisation programme also intends to update the Directors on a regular basis on any significant changes

therein so as to be in a position to take well informed and timely decision.

The details of familiarisation programme imparted to Independent Directors during FY22 are available on the website of the Company. The weblink is <https://staticcdn.apollotyres.com/CMSOriginal/3984/details-of-familiarisation-programme-fy22.pdf>

**(l) Succession Policy**

In terms with the Nomination & Remuneration Policy of the Company, the Nomination & Remuneration Committee reviews the succession policy from time to time and assists the Board to ensure that the plans are in place for succession for appointments to the Board and to Senior Management.

**(m) Shareholders Satisfaction Survey**

An online survey is posted on the Company's website at <https://s3.eu-central-1.amazonaws.com/apolloproducts/3985/shareholder-satisfaction-survey.pdf>.

Shareholders who have not yet participated in the survey can go to the above link and take part in the survey and provide us their valuable feedback.

**(n) Integrated Reporting**

The Company being one of the top 500 Companies in the Country in terms of market capitalization, has adopted Integrated Reporting describing initiatives undertaken by the Company for enhancing stakeholders' value in the long term. The report on Integrated Reporting is provided in a separate section forming part of this Annual Report.

**(o) Industrial Relations**

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

**(p) Dividend Distribution Policy**

The Company has formulated a Dividend Distribution Policy in compliance of Regulations 43A of Listing Regulations which inter-alia specifies the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend. Dividend Distribution Policy is available on the website of the Company.

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

The dividend declared in last five years are as follows:

Period	Dividend (%)
FY22*	325
FY21	350
FY20	300
FY19	325
FY18	300
FY17	300

\* The Board of Directors at its meeting held on May 12, 2022 had recommended a Dividend of ₹ 3.25 (325%) per share on Equity Share Capital of the Company having face value of ₹ 1/- each.

#### (q) Global Code of Conduct

The Company has designed a global "Code of Conduct Policy" ("Code") to conduct its business with honesty and integrity and in compliance with all applicable legal and regulatory requirements. This Code sets out the fundamental standards to be followed by all employees of the Company including Associates, Subsidiaries and Joint Ventures. The Company has rolled out mandatory online training for all the employees for successful implementation of the Code.

#### (r) Governance of Subsidiary Companies

The Company has a well-established corporate governance framework to create sound governance practices and promote best practices for its various Subsidiaries in multiple jurisdictions across the world. The Company ensures that the governance of Subsidiaries especially the material Subsidiaries reflect the same values, ethics, controls and processes as being followed at the parent Company level.

The Company maintains close relationship with the Subsidiaries Board and regularly review and encourage

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

The following documents/information are linked with the website of the Company, i.e. [www.apollotyres.com](http://www.apollotyres.com):-

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

regular feedback on the operation of subsidiary governance framework. The Company follows a fair, transparent and ethical governance practices for its overseas Subsidiaries which is essential for achieving long term corporate goals and to enhance stakeholder's value.

#### (s) Personal Data Protection And Privacy Program

We have analysed the regulations, their applicability and impact on our organization and have a roadmap to ensure we address any gaps which require remediation to ensure compliance. We have updated our policies and various processes to ensure compliance to the EU GDPR requirements.

#### (t) Declaration by Independent Directors under sub-section (6) of Section 149 & Regulation 16(1)(b) of the Listing Regulations

During FY22, the Company received declaration in terms of the provisions of Section 149(6) & 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations, from the following Independent Directors viz. Mr. Akshay Chudasama, Ms. Anjali Bansal, Gen. Bikram Singh (Retd.), Mr. Francesco Crispino, Ms. Lakshmi Puri, Ms. Pallavi Shroff, Mr. Vinod Rai and Mr. Vikram S. Mehta.

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

Vistra ITCL (India) Limited  
The IL&FS Financial Centre,  
Plot C- 22, G Block, 7th Floor  
Bandra Kurla Complex  
Bandra (East), Mumbai - 400 051  
Tel No. (022) 26533535  
Fax No. (022) 26533297

**(w) Details of Utilisation of funds raised through CCPS**

Particulars of the funds raised through CCPS	(₹ in million)
Utilized for capex and operations	10,800

**(x) Certificate from Practicing Company Secretary**

The Company has received a certificate from M/s. PI & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such authority.

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

**Declaration Affirming Compliance of Whistle Blower Policy**

To the best of my knowledge and belief, I hereby affirm that no personnel of the Company has been denied access to the Audit committee during FY22.

For and on behalf of the Board of Directors

Place: Gurugram  
Date: May 12, 2022

**ONKAR KANWAR**  
Chairman & Managing Director  
DIN: 00058921

# Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**APOLLO TYRES LIMITED**  
3rd Floor, Areekal Mansion, Panampilly Nagar  
Kochi, Ernakulam, Kerala-682036

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of APOLLO TYRES LIMITED having CIN: L25111KL1972PLC002449 and having registered office at Apollo Tyres Limited, 3rd Floor, Areekal Mansion, Panampilly Nagar, Kochi, Ernakulam, Kerala-682036 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and the respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	DIN	Name of Director	Date of appointment in Company
1.	00058921	Mr. Onkar Kanwar	03/06/1982
2.	00058951	Mr. Neeraj Singh Kanwar	28/05/1999
3.	00010630	Mr. Akshaykumar Narendrasinhji Chudasama	11/11/2013
4.	00041197	Mr. Vikram Singh Mehta	06/02/2013
5.	00058859	Mr. Sunam Sarkar	28/01/2004
6.	00178792	Mr. Robert Friedrich Johannes Adolf Steinmetz	10/09/1999
7.	00013580	Ms. Pallavi Shardul Shroff	15/05/2014
8.	07259060	Mr. Bikram Singh	11/08/2015
9.	07413105	Mr. Francesco Gori	09/02/2016
10.	00041867	Mr. Vinod Rai	09/02/2016
11.	07527148	Mr. Satish Sharma	01/04/2019
12.	00935998	Mr. Francesco Crispino	03/07/2020
13.	01035771	Mr. Vishal Kashyap Mahadevia	21/08/2020
14.	09329003	Ms. Lakshmi Puri	29/10/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **PI & Associates**  
Company Secretaries

**Ankit Singhi**  
Partner  
FCS No.: 11685  
C P No.: 16274  
PR: 1498/2021  
UDIN: F011685D000294858

Date: May 12, 2022  
Place: New Delhi

# Independent Auditor's Certificate on Corporate Governance

## To the Members of Apollo Tyres Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 04 August 2021.
2. We have examined the compliance of conditions of corporate governance by Apollo Tyres Limited ('the Company') for the year ended on 31 March 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

### Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

### Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2022.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076N/N500013

### Neeraj Goel

Partner  
Membership No. 099514  
UDIN: 22099514AIVHJQ4852

Place: Gurugram  
Date: 12 May 2022

# CEO and CFO Certificate

[Under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors

**Apollo Tyres Ltd.**

No. 7, Apollo House,  
Institutional Area, Sector- 32,  
Gurugram, Haryana -122001

We hereby certify that :-

- a) We have reviewed the financial statements including the cash flow statement of the Company for the year ended as on March 31, 2022 and that to the best of our knowledge and belief :
  - i these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii these statements including cash flow statement present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors. Further, no deficiencies have been observed in design or operation of such internal controls for the period covered by this report.
- d) During the period under review, no significant changes were observed in the internal controls over financial reporting and accounting policies of the Company. Furthermore, no instance of fraud found by management or employees having a significant role in the Company's internal control system over financial reporting.

For **Apollo Tyres Ltd**

**(Onkar Kanwar)**

Chairman & Managing Director

**(Gaurav Kumar)**

Chief Financial Officer

Date : May 4, 2022