

**APOLLO TYRES LTD**

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**UNAUDITED CONSOLIDATED FINANCIAL RESULTS  
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017**

Rs. Million

PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(AUDITED)
<b>1 Revenue from operations:</b>						
Sales	34,180.10	35,129.80	32,937.22	69,309.90	68,388.48	140,528.89
Other operating income	586.48	243.74	185.49	830.22	379.67	1,170.67
	<b>34,766.58</b>	<b>35,373.54</b>	<b>33,122.71</b>	<b>70,140.12</b>	<b>68,768.15</b>	<b>141,699.56</b>
<b>2 Other income</b>	197.24	67.24	386.55	264.48	661.92	1,518.12
<b>3 Total revenue (1 + 2)</b>	<b>34,963.82</b>	<b>35,440.78</b>	<b>33,509.26</b>	<b>70,404.60</b>	<b>69,430.07</b>	<b>143,217.68</b>
<b>4 Expenses:</b>						
(a) Cost of materials consumed	17,079.07	18,686.70	13,855.53	35,765.77	28,234.30	60,449.61
(b) Purchases of stock-in-trade	2,998.54	2,380.30	2,376.94	5,378.84	5,148.53	10,807.37
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(250.53)	(1,594.14)	(317.28)	(1,844.67)	(1,281.97)	(2,356.44)
(d) Excise duty on sales	-	2,548.91	2,273.67	2,548.91	4,802.68	9,899.20
(e) Employee benefits expense	4,903.22	4,517.06	4,542.99	9,420.28	9,210.69	18,302.89
(f) Finance costs	402.25	340.48	228.31	742.73	497.68	1,028.81
(g) Depreciation & amortisation expense	1,384.94	1,258.46	1,057.68	2,643.40	2,117.73	4,618.13
(h) Other expenses	6,392.34	6,081.86	6,003.87	12,474.20	12,875.99	26,109.61
<b>Total expenses</b>	<b>32,909.83</b>	<b>34,219.63</b>	<b>30,021.71</b>	<b>67,129.46</b>	<b>61,605.63</b>	<b>128,859.18</b>
<b>5 Profit before exceptional items and tax (3 - 4)</b>	<b>2,053.99</b>	<b>1,221.15</b>	<b>3,487.55</b>	<b>3,275.14</b>	<b>7,824.44</b>	<b>14,358.50</b>
<b>6 Exceptional Items</b>	-	-	-	-	-	-
<b>7 Share of loss in joint venture</b>	-	-	(1.45)	-	(1.81)	(3.05)
<b>8 Profit before tax (5 + 6 + 7)</b>	<b>2,053.99</b>	<b>1,221.15</b>	<b>3,486.10</b>	<b>3,275.14</b>	<b>7,822.63</b>	<b>14,355.45</b>
<b>9 Tax expense:</b>						
(a) Current tax expense	517.99	321.35	705.78	839.34	1,600.32	2,763.88
(b) Deferred tax	353.26	229.67	185.12	582.93	471.67	827.32
(c) MAT credit	(219.03)	(212.87)	-	(431.90)	-	(225.74)
<b>Total</b>	<b>652.22</b>	<b>338.15</b>	<b>890.90</b>	<b>990.37</b>	<b>2,071.99</b>	<b>3,365.46</b>
<b>10 Profit after tax (8 - 9)</b>	<b>1,401.77</b>	<b>883.00</b>	<b>2,595.20</b>	<b>2,284.77</b>	<b>5,750.64</b>	<b>10,989.99</b>
<b>11 Other comprehensive income</b>						
<b>I Items that will not be reclassified to profit or loss</b>						
a. Remeasurement of defined benefit plans	(139.86)	3.38	(149.14)	(136.48)	(147.28)	(9.22)
ii. Income tax	48.41	(1.17)	51.62	47.24	50.97	2.15
	<b>(91.45)</b>	<b>2.21</b>	<b>(97.52)</b>	<b>(89.24)</b>	<b>(96.31)</b>	<b>(7.07)</b>
<b>II Items that may be reclassified to profit or loss</b>						
a. Exchange differences in translating the financial statements of foreign operations	1,208.98	1,973.63	77.16	3,182.61	(207.02)	(2,815.14)
b. Effective portion of loss on designated portion of hedging instruments in a cash flow hedge	(24.61)	(25.33)	67.58	(49.94)	71.75	(118.66)
	<b>1,184.37</b>	<b>1,948.30</b>	<b>144.74</b>	<b>3,132.67</b>	<b>(135.27)</b>	<b>(2,933.80)</b>
ii. Income tax	8.51	8.77	(23.39)	17.28	(24.83)	41.07
	<b>1,192.88</b>	<b>1,957.07</b>	<b>121.35</b>	<b>3,149.95</b>	<b>(160.10)</b>	<b>(2,892.73)</b>
<b>Other comprehensive income (I + II)</b>	<b>1,101.43</b>	<b>1,959.28</b>	<b>23.83</b>	<b>3,060.71</b>	<b>(256.41)</b>	<b>(2,899.80)</b>
<b>12 Total comprehensive income (10 + 11)</b>	<b>2,503.20</b>	<b>2,842.28</b>	<b>2,619.03</b>	<b>5,345.48</b>	<b>5,494.23</b>	<b>8,090.19</b>
<b>13 Paid-up Equity Share Capital (Equity Shares of Re 1 each)</b>	509.02	509.02	509.02	509.02	509.02	509.02
<b>14 Paid up Debt Capital *</b>				11,736.66	4,250.00	7,250.00
<b>15 Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)</b>						72,359.30
<b>16 Capital Redemption Reserve</b>				44.40	44.40	44.40
<b>17 Debenture Redemption Reserve</b>				469.12	375.00	469.12
<b>18 Net Worth</b>				76,407.07	68,667.35	72,899.54
<b>19 Debt Equity Ratio **</b>				0.52	0.25	0.32
<b>20 Debt Service Coverage Ratio ***</b>				4.34	7.38	7.10
<b>21 Interest Service Coverage Ratio #</b>				5.81	14.54	13.03
<b>22 Earnings per share (of Re 1 each)</b>						
(a) Basic	2.75	1.73	5.10	4.49	11.30	21.59
(b) Diluted	2.75	1.73	5.10	4.49	11.30	21.59
(See accompanying Notes to the financial results)						

**Segment wise Revenue, Results & Capital Employed**

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

APMEA (Asia Pacific, Middle East and Africa)  
Europe  
Others

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

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

Rs. Million

PARTICULARS	Consolidated Results					
	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(AUDITED)	
<b>1. Segment Revenue</b>						
APMEA	25,189.20	25,845.00	23,664.09	51,034.20	49,275.34	101,121.22
Europe	10,060.95	10,163.78	9,917.61	20,224.73	20,466.02	42,937.38
Others	6,486.43	7,011.80	3,781.07	13,498.23	6,812.01	15,037.24
Total Segment Revenue	41,736.58	43,020.58	37,362.77	84,757.16	76,553.37	159,095.84
Less: Inter Segment Revenue	6,970.00	7,647.04	4,240.06	14,617.04	7,785.22	17,396.28
<b>Segment Revenue</b>	<b>34,766.58</b>	<b>35,373.54</b>	<b>33,122.71</b>	<b>70,140.12</b>	<b>68,768.15</b>	<b>141,699.56</b>
<b>2. Segment Results</b>						
APMEA	2,108.28	1,146.29	3,073.34	3,254.57	6,688.36	11,781.50
Europe	182.94	242.62	462.92	425.56	1,396.38	3,093.12
Others	256.21	221.68	106.24	477.89	154.12	411.36
Total Segment Results	2,547.43	1,610.59	3,642.50	4,158.02	8,238.86	15,285.98
Less: Interest Expenses	402.25	340.48	228.31	742.73	497.68	1,028.81
Less: Other Unallocable Corporate Expenses / Eliminations	91.19	48.96	(73.36)	140.15	(83.26)	(101.33)
<b>Profit Before Exceptional Items, share of profit/ (loss) from joint venture and Tax</b>	<b>2,053.99</b>	<b>1,221.15</b>	<b>3,487.55</b>	<b>3,275.14</b>	<b>7,824.44</b>	<b>14,358.50</b>
Exceptional Items	-	-	(1.45)	-	(1.81)	(3.05)
Share of loss in joint venture	-	-	-	-	-	-
<b>Profit Before Tax</b>	<b>2,053.99</b>	<b>1,221.15</b>	<b>3,486.10</b>	<b>3,275.14</b>	<b>7,822.63</b>	<b>14,355.45</b>
<b>3. Segment Assets</b>						
APMEA	90,594.88	91,684.40	77,054.01	90,594.88	77,054.01	88,571.11
Europe	77,565.43	68,668.12	58,327.25	77,565.43	58,327.25	61,882.99
Others	8,063.96	8,140.95	6,314.99	8,063.96	6,314.99	6,964.31
Total Segment Assets	176,224.27	168,493.47	141,696.25	176,224.27	141,696.25	157,418.41
Unallocable / Eliminations	(5,153.74)	(5,210.55)	(3,345.26)	(5,153.74)	(3,345.26)	(4,457.23)
<b>Total Segment Assets</b>	<b>171,070.53</b>	<b>163,282.92</b>	<b>138,350.99</b>	<b>171,070.53</b>	<b>138,350.99</b>	<b>152,961.18</b>
<b>4. Segment Liabilities</b>						
APMEA	51,368.65	50,671.30	38,197.86	51,368.65	38,197.86	46,298.56
Europe	43,508.31	36,854.04	31,429.02	43,508.31	31,429.02	33,554.42
Others	4,814.34	5,123.74	3,306.73	4,814.34	3,306.73	4,635.80
Total Segment Liabilities	99,691.30	92,649.08	72,933.61	99,691.30	72,933.61	84,488.78
Unallocable / Eliminations	(5,027.84)	(5,107.98)	(3,249.97)	(5,027.84)	(3,249.97)	(4,427.14)
<b>Total Segment Liabilities</b>	<b>94,663.46</b>	<b>87,541.10</b>	<b>69,683.64</b>	<b>94,663.46</b>	<b>69,683.64</b>	<b>80,061.64</b>
<b>5. Capital Employed</b>						
APMEA	39,226.23	41,013.10	38,856.15	39,226.23	38,856.15	42,272.55
Europe	34,057.12	31,814.08	26,898.23	34,057.12	26,898.23	28,328.57
Others	3,249.62	3,017.21	3,008.26	3,249.62	3,008.26	2,328.51
Total Capital Employed	76,532.97	75,844.39	68,762.64	76,532.97	68,762.64	72,929.63
Unallocable / Eliminations	(125.90)	(102.57)	(95.29)	(125.90)	(95.29)	(30.09)
<b>Total Capital Employed</b>	<b>76,407.07</b>	<b>75,741.82</b>	<b>68,667.35</b>	<b>76,407.07</b>	<b>68,667.35</b>	<b>72,899.54</b>

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**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

Rs. Million

SL.NO.	PARTICULARS	AS AT	
		30.09.2017	31.03.2017
		(UNAUDITED)	(AUDITED)
<b>A. ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Property, Plant & Equipments	73,129.89	60,381.65	
(b) Capital Work-in-Progress	32,439.44	28,723.43	
(c) Goodwill	1,981.58	1,773.58	
(d) Other Intangible Assets	5,708.25	4,759.77	
(e) Intangible assets under development	518.73	427.49	
(f) Financial Assets			
i. Other investments	15.62	17.49	
ii. Loans	29.11	24.14	
iii. Other financial assets	1,150.71	1,068.88	
(g) Deferred Tax Assets (Net)	818.41	629.26	
(h) Other Non-Current Assets	6,114.78	4,973.50	
<b>Total Non Current Assets</b>	<b>121,906.52</b>	<b>102,779.19</b>	
<b>2. Current Assets:</b>			
(a) Inventories	27,065.17	26,455.26	
(b) Financial Assets			
i. Investments	-	3,944.44	
ii. Trade receivables	12,944.85	11,274.96	
iii. Cash and cash equivalents	3,914.89	3,308.94	
iv. Other bank balances	95.86	60.23	
v. Loans	52.50	38.94	
vi. Other Financial Assets	540.00	497.86	
(c) Other current assets	4,550.74	4,601.36	
<b>Total current assets</b>	<b>49,164.01</b>	<b>50,181.99</b>	
<b>TOTAL ASSETS (1+2)</b>	<b>171,070.53</b>	<b>152,961.18</b>	
<b>B. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	509.02	509.02	
(b) Other Equity	75,898.05	72,390.52	
<b>Total Equity</b>	<b>76,407.07</b>	<b>72,899.54</b>	
<b>Liabilities</b>			
<b>2. Non-Current Liabilities:</b>			
(a) Financial Liabilities			
i. Borrowings	38,161.31	21,559.04	
ii. Other financial liabilities	670.57	600.03	
(b) Provisions	441.37	343.75	
(c) Deferred tax liabilities (Net)	7,931.75	7,435.40	
(d) Other non current liabilities	5,932.90	5,217.17	
<b>Total non current liabilities</b>	<b>53,137.90</b>	<b>35,155.39</b>	
<b>3. Current Liabilities:</b>			
(a) Financial Liabilities			
i. Borrowings	5,516.23	10,886.27	
ii. Trade payables	18,334.74	17,317.56	
iii. Other financial liabilities	8,989.94	9,032.75	
(b) Other Current Liabilities	3,284.89	2,553.23	
(c) Provisions	4,280.74	4,042.67	
(d) Current Tax Liabilities (Net)	1,119.02	1,073.77	
<b>Total current liabilities</b>	<b>41,525.56</b>	<b>44,906.25</b>	
<b>TOTAL EQUITY AND LIABILITIES (1+2+3)</b>	<b>171,070.53</b>	<b>152,961.18</b>	

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**NOTES:**

- 1 On May 24, 2017 CRISIL had assigned its 'CRISIL AA+/Stable' rating to the Rs 4,500 Million non-convertible debentures of Apollo Tyres Ltd (Apollo) and reaffirmed its ratings on the long-term bank facilities & debt programmes at 'CRISIL AA+/Stable' and short-term bank facilities & commercial paper at 'CRISIL A1+'.
- 2 The listed Non-Convertible Debentures (NCDs) issued by the Company is aggregating to Rs. 11,750 Million as on September 30, 2017, out of which NCDs aggregating to Rs. 10,750 Million are secured by a pari passu first charge by way of hypothecation on movable fixed assets of the Company, both present & future (except stocks & book debts), while the balance NCDs aggregating to Rs. 1,000 Million are secured by a pari passu first charge by way of mortgage on certain immovable fixed assets and by way of hypothecation on movable fixed assets of the Company, both present & future (except stocks & book debts). The asset cover thereof exceeds 100% of the principal amount of the said NCDs.
- 3 Details of Secured Non-Convertible Debentures are as follows :

Particulars	Previous Due Date		Next Due Date	
	Principal	Interest	Principal	Interest
1,000 - 9.40 % Non Convertible Debentures of Rs. 1 Million each	-	Sep 11, 2017	Nov 10, 2017	Oct 11, 2017
1,050 - 8.65 % Non Convertible Debentures of Rs. 1 Million each	-	May 30, 2017	Apr 30, 2024	May 30, 2018
1,050 - 8.65 % Non Convertible Debentures of Rs. 1 Million each	-	May 30, 2017	Apr 30, 2025	May 30, 2018
1,150 - 8.65 % Non Convertible Debentures of Rs. 1 Million each	-	May 30, 2017	Apr 30, 2026	May 30, 2018
1,050 - 7.50 % Non Convertible Debentures of Rs. 1 Million each	-	-	Oct 21, 2021	Oct 23, 2017
1,050 - 7.50 % Non Convertible Debentures of Rs. 1 Million each	-	-	Oct 21, 2022	Oct 23, 2017
900 - 7.50 % Non Convertible Debentures of Rs. 1 Million each	-	-	Oct 20, 2023	Oct 23, 2017
1,500 - 7.80 % Non Convertible Debentures of Rs. 1 Million each	-	-	Apr 29, 2022	May 31, 2018
1,500 - 7.80 % Non Convertible Debentures of Rs. 1 Million each	-	-	Apr 28, 2023	May 31, 2018
1,500 - 7.80 % Non Convertible Debentures of Rs. 1 Million each	-	-	Apr 30, 2024	May 31, 2018

- \* Paid up Debt Capital represents Secured Non-Convertible Debentures (net of processing cost).
- \*\* Debt to Equity : Long Term Debts (including derivative exposure relating to these debts) / Total Net Worth
- \*\*\* Debt Service Coverage Ratio : EBDIT / (Interest + Principal Repayment during the period for long term loans)
- # Interest Service Coverage Ratio: EBDIT / Interest expenses

- 4 The revenue from operations for periods upto June 30, 2017 are reported inclusive of excise duty, in accordance with requirements of Ind AS. Consequent to the implementation of Goods and Service Tax (GST) regulations effective July 01, 2017, the revenue from operations for the three months ended September 30, 2017 are reported net of GST, in accordance with the requirements of Ind AS. Accordingly, the revenue from operations for the quarter and the six months ended September 30, 2017 are not comparable with the amounts reported in the immediately preceding quarter and the corresponding previous periods/ annual results.
- 5 The Company has issued and allotted 63,025,210 Equity Shares of Re. 1 each to Qualified Institutional Buyers on October 10, 2017 at an issue price of Rs. 238 per Equity Share (including a premium of Rs. 237 per Equity Share), aggregating to approximately Rs. 15,000 million. Pursuant to the allotment of Equity Shares in the Qualified Institutional Placement, the paid up equity share capital of the Company stands increased to Rs. 572.05 million.
- 6 Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure.
- 7 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on November 1, 2017. The stand-alone and consolidated results of the company have undergone limited review by the Statutory Auditors. The results of the significant subsidiaries of the Company have been subjected to limited review by their respective Statutory Auditors.

For and on behalf of the Board  
of Directors of Apollo Tyres Ltd.

*Onkar S. Kanwar*

ONKAR S. KANWAR  
CHAIRMAN & MANAGING DIRECTOR

Place: Gurgaon  
Date: November 1, 2017