

Apollo Tyres (Cyprus) Private Limited

Financial Statements

March 31, 2018

Apollo Tyres (Cyprus) Private Limited
Balance sheet as at 31 March 2018

(All amounts are in € unless otherwise stated)

	Notes	As at 31 March 2018	As at 31 March 2017
ASSETS			
Current assets			
Financial assets			
i) Loan to related party	3	2,255,189	2,180,827
Other current assets	4	12,024	23,472
Total current assets		2,267,213	2,204,299
Total assets		2,267,213	2,204,299
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5	800	800
Other equity		2,244,651	2,185,622
Total equity		2,245,451	2,186,422
LIABILITIES			
Current liabilities			
Financial liabilities			
i) Other financial liabilities	6	13,329	17,877
Current tax liabilities (net)	7	8,433	-
Total current liabilities		21,762	17,877
Total liabilities		21,762	17,877
Total equity and liabilities		2,267,213	2,204,299

Summary of significant accounting policies and other explanatory information. 1-9

The accompanying notes form an integral part of the financial statements.

Apollo Tyres (Cyprus) Private Limited
Statement of Profit and Loss for the year ended 31 March 2018

(All amounts are in € unless otherwise stated)

	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue	8	74,362	74,362
Total income		74,362	74,362
Expenses			
Other expenses	9	6,900	27,619
Total expenses		6,900	27,619
Profit before tax		67,462	46,743
Income tax expense			
Current tax		8,433	8,712
Profit for the year		59,029	38,031
Earnings per equity share			
a) Basic (€)		73.79	47.54
b) Diluted (€)		73.79	47.54

Summary of significant accounting policies and other explanatory information. 1-9

The accompanying notes form an integral part of the financial statements.

Apollo Tyres (Cyprus) Private Limited
Cash Flow Statement for the year ended 31 March 2018

(All amounts are in € unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flows from operating activities		
Profit before tax as per statement of profit and loss	67,462	46,743
Adjustments for:		
Interest income	(74,362)	(74,362)
Operating loss before working capital changes	(6,900)	(27,619)
Other current assets	11,448	(21,604)
Other financial liabilities	(4,548)	3,209
Cash used in operations	-	(46,014)
Taxes paid	-	(11,625)
Net cash used in operating activities (A)	-	(57,639)
Cash flows from investing activities		
Interest received	-	18,591
Net cash from investing activities (B)	-	18,591
Net increase in cash and cash equivalents (A+B)	-	(39,048)
Opening cash and cash equivalents	-	39,048
Closing cash and cash equivalents	-	-

Summary of significant accounting policies and other explanatory information.

1-9

The accompanying notes form an integral part of the financial statements.

Apollo Tyres (Cyprus) Private Limited
Statement of Changes in equity for the year ended 31 March 2018

A. Equity share capital *(All amounts are in € unless otherwise stated)*

Particulars	Balance as at 1 April 2016	Changes in equity share capital during the year	Balance as at 31 March 2017	Changes in equity share capital during the year	Balance as at 31 March 2018
Equity share capital	800	-	800	-	800

B. Other equity *(All amounts are in € unless otherwise stated)*

Particulars	Share Premium	Retained earnings	Total
Balance as at 1 April 2016	2,010,850	136,741	2,147,591
Profit for the year	-	38,031	38,031
Balance as at 31 March 2017	2,010,850	174,772	2,185,622
Profit for the year	-	59,029	59,029
Balance as at 31 March 2018	2,010,850	233,801	2,244,651

Summary of significant accounting policies and other explanatory information. 1-9

The accompanying notes form an integral part of the financial statements.

Apollo Tyres Cyprus Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

1. Company Overview

Apollo Tyres Cyprus Private Limited (“the Company”), a limited liability company based in Cyprus is registered under the Cyprus Companies Law, Cap. 113. The Company is part of group, headed by Apollo Tyres Limited, an Indian listed company with registered address at 3rd floor, Areekal mansion, Panampilly Nagar, 68203, Kochi, India.

2. Summary of significant accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with recognition and measurement principles of Indian Accounting Standards (‘Ind AS’) as issued by Institute of Chartered Accountants of India (“ICAI”). The company is in the process of the liquidation and accordingly assets and liabilities have been stated at their fair value/ realisable value.

(b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles, i.e., Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and reported amount of revenue and expenses during the reporting period. Although these estimates are based upon management’s knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, in accounting estimate is recognized prospectively in the current and future periods.

(c) Other income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

(d) Taxation

Taxation is based on the result in the annual accounts, taking into account tax losses from previous years and the permanent differences between the profit calculation according to the annual accounts on the one hand and according to profit calculation for tax purposes on the other hand. The calculation is made at the current tax rate.

(e) Foreign currency transactions

The financial statements are presented in Euro which is the functional and presentation currency of the Company.

(f) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(g) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statements comprise cash at bank with an original maturity of three months or less.

Apollo Tyres (Cyprus) Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2018

	<i>(All amounts are in € unless otherwise stated)</i>	
	<u>As at</u> <u>31 March 2018</u>	<u>As at</u> <u>31 March 2017</u>
Note 3: Loans		
Unsecured, considered good		
Loans to related parties (including interest accrued) (Refer (a) below)	2,255,189	2,180,827
	<u>2,255,189</u>	<u>2,180,827</u>
Note (a): The Company executed an agreement dated 23 March 2016 with Apollo Tyres Cooperatief U.A and granted loan of € 2,124,642. The loan is unsecured and is repayable on demand. The loan carries interest rate of 3.5% per annum and is due and payable on demand. The amount of interest accrued on such loan as at 31 March 2018 amounts to € 130,547 (€ 56,185).		
Note 4: Other current assets		
Advance to LC Law	12,024	23,472
	<u>12,024</u>	<u>23,472</u>
Note 5: Equity share capital		
Issued and subscribed equity share capital		
Equity share capital	800	800
800 (800) equity shares of € 1 each fully paid-up	<u>800</u>	<u>800</u>
The share capital of the Company consists of fully paid equity shares with a par value of € 1 each.		
The Honorable High Court of Kerala, India had sanctioned a scheme of amalgamation of Apollo (Mauritius) Holdings Pvt. Ltd. ("AMHPL"), a wholly owned subsidiary, with Apollo Tyres Limited on 26 August 2016. The appointed date of amalgamation was 1 April 2016 and the merger became effective from 7 December 2016. As a result of this merger, AMHPL has ceased to exist and Apollo Tyres (Cyprus) Private Limited, the subsidiary of AMHPL, has become direct subsidiary of Apollo Tyres Limited.		
Note 6: Other financial liabilities		
Expenses payable	13,329	17,877
Total	<u>13,329</u>	<u>17,877</u>
Note 7: Current tax liabilities		
Provision for tax	20,058	11,625
Less: Advance tax	11,625	11,625
	<u>8,433</u>	<u>-</u>
	<i>(All amounts are in € unless otherwise stated)</i>	
	<u>For the year ended</u> <u>31 March 2018</u>	<u>For the year ended</u> <u>31 March 2017</u>
Note 8: Revenue		
Interest income on loan to related party	74,362	74,362
	<u>74,362</u>	<u>74,362</u>
Note 9: Other expenses		
Legal and professional	6,900	27,303
Bank charges	-	316
	<u>6,900</u>	<u>27,619</u>