

BTL/SH/SE/Reg. 34(1)/2020-2021

September 5th, 2020

The Secretary BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, <u>Mumbai - 400001</u>	The Vice-President National Stock Exchange of India Ltd. Exchange Plaza, Plot no. C-1, Block G, Bandra-Kurla Complex, Bandra (E) <u>Mumbai – 400051</u>
BSE Scrip Code - 542932	NSE Symbol - BIRLATYRE

Dear Sir/Mam,

Annual Report and Accounts for the Financial Year ended 31st March, 2020

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached a copy of the Annual Report and Accounts of the Company for the Financial Year ended 31st March, 2020 together with the Notice dated 31st July, 2020 convening the 2nd Annual General Meeting of the Members of the Company on 29th September, 2020 at 3:00 P.M. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility,

This is for your putting on the website of the Exchange for the information of the Investors at large.

Thanking you,

Yours faithfully,

For Birla Tyres Limited



Rajat Arora
Company Secretary

Encl: As above



BIRLA TYRES LIMITED

**2nd Annual Report
& Accounts 2020**

Tribute to Basant Kumar Birla



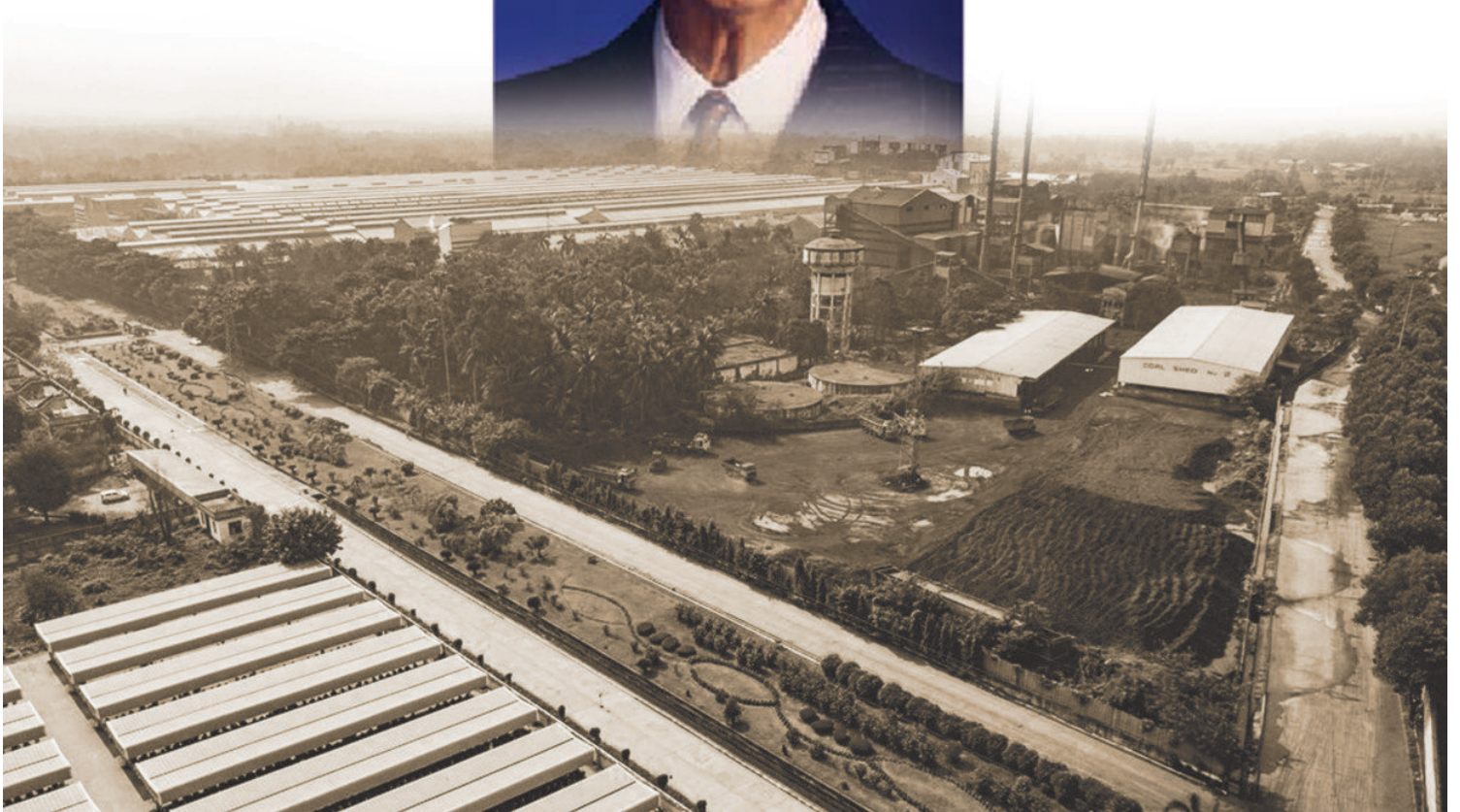
We fondly remember the immense contribution made by B.K.Birla. He was instrumental and immensely successful in growing Birla Tyres Limited. He inculcated the spirit of agility to adopt to the environment and cross several milestones.

He was a people's man and a great leader who inspired his team. When we reflect upon him as a people's leader we can't but reminiscence his apt quote

"All my executives are excellent people. I don't have any complaints against any of them... They are very honest, they are very efficient, and they are very sincere... They are part of my family"

We are well past his first death anniversary as this report gets published. Fresh remains the imprint he has made on all our minds and hearts, it is sure to remain so in the years to come.

Each and everything he dealt with, be it the animate human hearts or the inanimate Institutions, offices, plants, homes resonate and hum B.K.Birla is "A Legend forever"



CHAIRMAN'S MESSAGE

Your company is a standalone tyre business after demerger from Kesoram Industries Limited. This provides us with several possibilities.

We have been severely impacted due to financial crunch for some time. We are working to find a solution for overcoming the current situation.

I thank our esteemed Directors on the Board, employees, and all other stakeholders for providing support during these tumultuous times.

MANJUSHREE KHAITAN



BIRLA TYRES LIMITED

**BOARD OF DIRECTORS
AND
KEY MANAGERIAL PERSONS**

Manjushree Khaitan, Chairman

DIN: 00055898

Kashi Prasad Khandelwal

DIN: 00748523

Prabal Kumar Sarkar

DIN: 03124712

Kaushik Biswas

DIN: 06919774

Rashmi Bihani

DIN: 07062288

Indrani Chakraborty

DIN: 00545029

Herve Frederic Richert

Chief Executive Officer

Anirban Moulik

Chief Financial Officer

Rajat Arora
Company Secretary

Registered Office

9/1, R.N. Mukherjee Road
8th Floor, Birla Building
Kolkata – 700 001
Phone No.: +91 33 22624354
Fax No. : +91 33 22624359
CIN: U25209WB2018PLC228915
Website : www.birlatyre.com; E-mail: corporate@birlatyre.com

Bankers

Axis Bank Ltd.
HDFC Bank Ltd.
ICICI Bank Ltd.
IndusInd Bank Ltd.
Lakshmi Vilas Bank Ltd.
Punjab National Bank Ltd.
State Bank of India
The South Indian Bank Ltd.
Yes Bank Ltd.
The Karur Vysya Bank Ltd.
West Bengal Infrastructure
Development Finance Corporation Ltd.

Statutory Auditors

Messrs Deloitte Haskins & Sells
Chartered Accountants

Registrar & Share Transfer Agent

MCS Share Transfer Agent Limited,
(Unit: Birla Tyres Limited)
383 Lake Gardens, 1st Floor,
Kolkata – 700045
Phone No.: 033-40724051-52
Fax No.: 033-40724050
E-Mail: mcssta@rediffmail.com

Members seeking any information on the Annual Report & Accounts are requested to send their queries to the Company at least ten days before the date of the Meeting.

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NOTICE

TO THE MEMBERS

NOTICE is hereby given that the **Second Annual General Meeting ("AGM") of BIRLA TYRES LIMITED** will be held at 3:00 P.M. on Tuesday, 29th Day of September, 2020 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") facility without any physical presence of members to transact the following businesses:

General Business:

1. To consider and adopt the Audited Financial Statements of the Company for the Financial year ended 31st March, 2020 together with the Reports of the Board of Directors and the Auditors thereon;
2. To appoint a Director in place of Kaushik Biswas (DIN: 06919774), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

3. Ratification of Remuneration of Cost Auditor

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, this Meeting hereby confirms and ratifies a remuneration of ₹ 2.94 Lakhs (excluding applicable Taxes and reimbursement of actual travelling and other out of pocket expenses) payable to Mani & Co. Cost Accountants for conducting the audit of the Company's cost accounting records for the Financial Year 2020 - 21."

4. Appointment of Indrani Chakraborty (DIN: 00545029) as an Independent Director

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV of the Companies Act, 2013 and the Rules framed thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the recommendations of the Nomination and Remuneration Committee, Indrani Chakraborty (DIN: 00545029), an existing Additional Director, who is holding office up to this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of up to 3 (Three) consecutive years from the conclusion of the Company's Second Annual General Meeting till the conclusion of the Company's Fifth Annual General Meeting."

5. Appointment of Rashmi Bihani (DIN: 07062288) as an Independent Director

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV of the Companies Act, 2013 and the Rules framed thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the recommendations of the Nomination and Remuneration Committee, Rashmi Bihani (DIN:07062288), an existing Additional Director, who is holding office up to this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of up to 3 (Three) consecutive years from the conclusion of the Company's Second Annual General Meeting till the conclusion of the Company's Fifth Annual General Meeting."

Registered Office:

9/1, R. N. Mukherjee Road,
8th Floor, Birla Building
Kolkata - 700 001

Date: 31st July, 2020

By Order of the Board
For Birla Tyres Limited

Rajat Arora
Company Secretary

Notes:

1. In view of the prevailing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its General Circulars No. 14/2020, No. 17/2020 and No. 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively (hereinafter, collectively referred as the "MCA Circulars") read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, has allowed companies to conduct their annual general meetings through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), thereby, dispensing with the requirement of physical attendance of the members at their AGM and accordingly, the 2nd Annual General Meeting (the "AGM") of Birla Tyres Limited (the "Company") will be held through VC or OAVM on Tuesday, 29th September 2020 at 3:00 P.M. (IST) in compliance with the said circulars and the relevant provisions of the Companies Act, 2013 (as amended) (the "Act") and Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "LODR Regulations").
2. In terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020, the requirement of sending proxy forms to holders of securities as per provisions of Section 105 of the Act read with Regulation 44(4) of SEBI LODR, has been dispensed. Therefore, the facility to appoint proxy by the Members will not be available and consequently, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice conveying the 2nd AGM of the Company.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") setting out material facts concerning the business under Item nos. 3, 4 & 5 of the Notice is annexed hereto and forms part of this Notice. The relevant details pursuant to Regulations 26(4) and 36(3) of the SEBI LODR and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/reappointment at this AGM are annexed to the Report on Corporate Governance.
4. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a First come First served basis as per the MCA Circulars. The detailed instructions for joining the meeting through VC/OAVM form part of the Notes to this Notice.
5. No restrictions on account of FIFO entry into AGM, will apply in respect of large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional investors, Directors, Key Managerial Personnel, Auditors, etc.
6. Corporate Members intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-Voting. Institutional Shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Power of Attorney / appropriate authorization letter together with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at rbajaj@rpaonline.in with a copy marked to evoting@nsdl.co.in on or before Friday, 25th September 2020 at 5.00 P.M. IST.
7. As per the provisions of Clause 3.A.III. of the General Circular No. 20/2020 dated 5th May 2020, the matters of Special Business as appearing at Item Nos. 3 to 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. In case of Joint-holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
10. In accordance with the MCA Circular dated 5th May 2020 and SEBI circular dated 12th May 2020, the Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 2nd AGM along with the Annual Report 2019-20 will also be available on the website of the company at www.birlatyre.com and may also be accessed from the relevant section of the websites of the stock exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. These will also be available on the website of NSDL at www.evoting.nsdl.com. Pursuant to the Circulars mentioned above, the Company has not printed the Annual Reports and hence no hard copies of the Annual Report will be provided.

11. Instructions for attending the AGM through VC/OAVM are given below:

The Company will hold the AGM through VC/OAVM facility without physical presence of the members. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-Voting login credentials and selecting the EVEN for the AGM. The necessary details for joining the meeting are given below:

- i. The Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system and they may access the same at www.evoting.nsdl.com under the Shareholders/Members login by using the remote e-Voting credentials, where the EVEN of the Company will be displayed. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID/Password may retrieve the same by following the remote e-Voting instructions mentioned below to avoid a last-minute rush. Further, Members may also use the OTP-based login for logging into the e-Voting system of NSDL.
- ii. Members may join the Meeting through Laptops, Smartphones, Tablets, and iPads for a better experience. Further, Members will be required to use the Internet with good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge, or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
- iii. Members who face any technical difficulty in accessing and participating in the meeting may contact toll free no. **1800-222-990**. After login, the members who face any technical difficulty in accessing the VC link may contact toll free no. **1800-222-990**.

12. Procedure to Raise Questions / Seek Clarifications:

- a. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the 2nd AGM, from their registered e-mail address, mentioning their Name, DP ID and Client ID Number/Folio Number and Mobile Number, to reach the Company's e-mail address at corporate@birlatyre.com before 3.00 p.m. (IST) on Wednesday, 23rd September, 2020. Such questions by the Members shall be suitably replied by the Company.
- b. Members who would like to express their views/ ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/ folio number, PAN and mobile number at corporate@birlatyre.com between Wednesday, 23rd September 2020 (9.30 a.m. IST) and Friday, 25th September, 2020 (5.00 p.m. IST). Only those Members who have preregistered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

13. As per Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing the facility of casting votes through the electronic voting system from a place other than the venue of the Meeting ("remote e-Voting") under an arrangement with The National Securities Depository Limited ("NSDL") as specified more fully in the instructions provided in the Notice below.

14. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the "**cut-off date**" i.e. **Tuesday, 22nd September, 2020**, shall be entitled to avail the facility of remote e-Voting at the Annual General Meeting ("**AGM**"). The procedure for remote e-Voting and e-Voting during the AGM is the same. A person who is not a Member on the cut-off date should treat this Notice for information purposes only.

15. Instructions for Members for Remote e-Voting (before and during the AGM) are as under:

Members are requested to attend the AGM through VC/OAVM Facility, and voting through remote e-Voting (before and during the AGM) will be available, the process and manner of remote e-Voting will be as follows:

- A. The voting period begins from **9.00 A.M. IST on Saturday, 26th September, 2020** and ends at **5.00 P.M. IST on Monday, 28th September, 2020**. During this period, Members of the Company, holding Shares either in physical form or in dematerialised form, as on the **cut-off date ("record date")** i.e. **Tuesday, 22nd September, 2020**, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. The facility for voting through Ballot Paper is unavailable as the meeting is being held through VC/OAVM facility.

- B. Instructions and information relating to e-voting are as follows:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

- i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- ii) Once the home page of e-Voting system is launched, click on the icon "**Login**" which is available under '**Shareholders**' section.
- iii) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- iv) Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- v) Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - I. If your e-mail address is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail address. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - II. If your e-mail address is not registered, please follow steps mentioned below in process for those shareholders whose e-mail ids are not registered.

- vi) If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- vii) After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- viii) Now, you will have to click on “Login” button.
- ix) After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-voting system

- i) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- ii) After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- iii) Select “EVEN” of company for which you wish to cast your vote.
- iv) Now you are ready for e-Voting as the Voting page opens.
- v) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- vi) Upon confirmation, the message “Vote cast successfully” will be displayed.
- vii) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- viii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders for voting

- a. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
 - b. In case of any query / grievance with respect to remote e-Voting, members may refer to the Frequently Asked Questions (FAQs) for Shareholders and Remote E-voting User Manual for Shareholders available under the Downloads section of NSDL’s e-voting website or contact **Amit Vishal**, Senior Manager / **Pallavi Mhatre**, Manager, NSDL, Trade World, “A” Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai 400 013 at telephone no. **022-24994360 / 022-24994545** or toll free no. **1800-222-990** or e-mail evoting@nsdl.co.in.
16. The facility for voting through e-Voting at the AGM shall also be made available to the Members attending the Meeting, who have not already cast their vote by remote e-Voting, shall be permitted to exercise their rights at the Meeting through e-Voting. The procedure for remote e-Voting and e-Voting during the AGM is the same
 17. Members who have cast their vote by remote e-Voting prior to the Meeting may attend the Meeting but shall not be entitled to cast their vote again.
 18. Members holding shares in physical form are requested to notify change of address, if any, along with address proof i.e. Voter Identity Card, Aadhaar Card, Electric/Telephone Bill, Driving License, Passport and Bank Statement to the Registrar and Share Transfer Agent. In case the shares are held in dematerialised form, then this information should be passed on to the respective Depository Participant(s) and not to the Registrar and Share Transfer Agent.

19. Procedure for registering e-mail addresses to receive this Notice electronically and cast votes electronically:

- a) Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, MCS Share Transfer Agent Limited at mcssta@rediffmail.com.
 - b) E-mail addresses of Members as advised to Registrar and Share Transfer Agent where shares are held in physical mode or registered with Depositories where shares are held in the electronic mode will be deemed to be the Member's registered email address for serving Company documents / notices as per provisions of the Act and the instructions of the Ministry of Corporate Affairs until and unless otherwise informed. Members intending to refresh / update their e-mail addresses should do so as soon as possible.
 - c) Alternatively, Members may also send an e-mail request to evoting@nsdl.co.in along with the following documents for procuring user id and password and registration of e-mail addresses for e-Voting for the resolutions set out in this Notice:
 - In case shares are held in physical form, please provide Folio No., Name of the shareholder, scanned copy of the share certificate (front and back), self- attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card
 - In case shares are held in Demat form, please provide DP ID-Client ID (8 digit DP ID + 8 digit Client ID or 16 digit Beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card.
20. Members holding Shares, in physical form, in identical order of names in more than one Folio, are requested to write to the Registrar and Share Transfer Agent enclosing the relevant Share Certificates requesting consolidation of such Folios into one Folio for their own convenience.
21. Pursuant to the amendments in the SEBI LODR and subsequent notification issued by SEBI, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In this regard, SEBI has clarified by a Press Release No PR/No: 12/2019 dated March 27, 2019, that the said amendments do not prohibit an investor from holding the shares in physical form and the investor has the option of holding shares in physical form even after 1st April, 2019. However, any investor who is desirous of transferring shares (which are held in physical form) after 1st April, 2019 can do so only after the shares are dematerialized. However, requests for transfer of shares held in physical mode, as filed in Form SH-4, prior to April 01, 2019 and returned to the investors due to deficiency in the documents, may be re-submitted for transfer even after April 01, 2019 provided it is submitted along with the necessary documents including PAN card details. In exceptional cases, the transfer of physical shares is subject to the procedural formalities as prescribed under SEBI Circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/139 dated November 6, 2018.
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) for all securities market transactions. Thereafter, it was clarified vide Circular no. MRD/DOP/Cir-05/2009 dated May 20, 2009 that for securities market transactions and off market transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for transferee(s) to furnish a copy of PAN Card to the Registrar and Share Transfer Agent for registration of such transfer of shares. SEBI on March 28, 2018, decided that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. This measure was to come into effect from December 5, 2018 but the deadline was extended and the aforesaid requirement of transfer of securities only in demat form has come into force from April 1, 2019. Hence, Members holding shares in the electronic form are requested to submit their PANs to their Depository Participant(s) with whom they maintain their Demat Accounts. Members holding shares in physical form should submit their PAN details to the Registrar and Share Transfer Agent.
23. As per requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, particulars relating to appointment and re-appointment of Directors are annexed to the Report on Corporate Governance.

24. Persons, who have acquired Shares and become Members of the Company after despatch of the Notice for the AGM, but before the **cut-off date**, may obtain the login ID and password by sending a request at **evoting@nsdl.co.in** or **mcssta@rediffmail.com**. However, Members already registered with NSDL for remote e-Voting can use their existing user ID and passwords for casting their votes. If a Member has forgotten her / his password, she can reset her / his password by using "Forgot User Details / Password" option available on **www.evoting.nsdl.com** or contact NSDL at the following toll free No. **1800-222-990**.
 25. Voting rights of Members shall be in proportion to their share in the Company's Paid-up Equity Share Capital as on the **cut-off date**.
 26. **Ritu Bajaj, (ICSI CP No. 11933)**, Practising Company Secretary, has been appointed as the Scrutinizer to enable the voting during the AGM and remote e-Voting processes to be conducted in a fair and transparent manner.
 27. The Chairman shall, at the end of discussion on the Resolutions on which voting are to be held, allow e-Voting for those Members present at the AGM but have not cast their votes through the remote e-Voting facility.
 28. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Meeting or a person authorised by him / her in writing, who shall countersign the same and declare the results of the voting forthwith.
 29. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company **www.birlatyre.com** and on the website of NSDL **www.evoting.nsdl.com** immediately after the declaration of result by the Chairman of the Meeting or the person authorised by him / her in writing. The results shall also be simultaneously communicated to the Stock Exchanges and displayed on the Notice Board of the Company at the Registered Office at **8th Floor, Birla Building, 9/1 R N Mukherjee Road, Kolkata - 700001**.
 30. On receipt of the requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Annual General Meeting.
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STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**Item Number 3**

Upon the recommendation of the Audit Committee, the Board had appointed Mani & Co., Cost Accountants, to audit the Company's cost accounting records for the Financial Year ending 31st March, 2021 at a total remuneration of ₹ 2.94 lakhs excluding taxes and reimbursement of actual out of pocket expenses, in respect of the Company's Tyre Business.

As required under Section 148(3) of the Companies Act, 2013 ("the Act") the remuneration payable to the Cost Auditors requires ratification by Shareholders.

Item No. 3 of the Notice convening the Company's Second Annual General Meeting ("AGM") has accordingly been proposed and the Board commends this Ordinary Resolution to Shareholders for acceptance.

No Director or Key Managerial Personnel or any relative of the Directors or Key Managerial Personnel have any concern or interest in the Resolution.

The passing of this Resolution does not and will not relate to or effect any other company.

Item Number 4

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) has appointed Indrani Chakraborty (DIN: 00545029) as an Additional Director of the Company under Section 161(1) of the Act and as per the Articles of Association, with effect from 31st July, 2020 is eligible for appointment as an Independent Director.

Indrani Chakraborty, aged around 57 years, is a Practicing Chartered Accountant. She is a Fellow member of the Institute of Chartered Accountants of India (FCA) and a Post Graduate in Commerce from Calcutta University. She qualified as a Chartered Accountant in 1991 and joined Price Waterhouse (Legacy Lovelock & Lewes) as a qualified Assistant and thereafter became the Director (Worked from Feb 1992 to Feb 2019). She has more than 25 years of experience in auditing with PWC network firm and has considerable experience in serving large entities (mostly listed). She has Extensive experience in managing audits of companies engaged in different industries such as automotive, infrastructure and construction, industrial manufacturing, paints & chemicals, manufacturing, etc. Indrani Chakraborty is presently engaged with A. Dasgupta & Co, Chartered Accountants as a Partner.

The other details of Indrani Chakraborty in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 is annexed to the Report on Corporate Governance. She is not related to any Director of the Company.

In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Indrani Chakraborty fulfils the conditions specified in the Act for her appointment as an Independent Director. After taking into consideration the recommendation of the Nomination & Remuneration Committee, the Board is of the opinion that Indrani Chakraborty's vast knowledge and varied experience will be of great value to the Company and has recommended the Resolution at Item No. 4 of this Notice relating to the appointment of her as an "Independent Director", not liable to retire by rotation for a period of three consecutive years from the conclusion of the Company's Second Annual General Meeting till the conclusion of the Company's Fifth Annual General Meeting, for the your approval.

The Company has received the requisite declaration confirming that the above person meet the criteria of Independence as per Section 149(6) of the Act and the applicable SEBI Regulations, having given her consent to act as Independent Director, if appointed.

In the opinion of the Board, She fulfills the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as Independent Non-Executive Director and is Independent of the management.

The Company and its Independent Directors will abide by the provisions specified in Schedule IV of the Act, and be governed and guided by the guidelines of Professional conduct, Role and Functions, Duties, Manner of Appointment, Re-appointment, resignation or removal, separate meetings and evaluation mechanism as provided therein, Her appointment once made at the Meeting shall be formalised through a letter of appointment, which will set out amongst others:

- (a) the term of appointment;
- (b) the expectation of the Board from the concerned person; the Board-level Committee(s) in which he is expected to serve and its tasks;

- (c) the fiduciary duties that come with such appointments along with accompanying liabilities;
- (d) provision for Directors and Officers (D & O) insurance, if any;
- (e) the Code of Business Ethics that the Company expects its Directors and employees to follow;
- (f) a list of actions that a Director should not do while functioning as such in the Company; and
- (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Board and other Meetings and profit related commissions, if any.

Formal letter of appointment will be issued to her upon the general body agreeing to the appointment. The terms and conditions of such appointment shall be open for inspection at the Registered Office of the Company by any Member during 11.00 AM to 4.00 PM, Monday to Friday, and shall also be posted on the Company's website.

She should be deemed concerned or interested in the particular Resolution seeking to appoint herself. No other Director / Key Managerial Personnel or any relative of the Directors or Key Managerial Personnel have any concern or interest in the Resolutions.

The passing of this Resolution does not and will not relate to or affect any other company.

Item Number 5

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) has appointed Rashmi Bihani (DIN: 07062288) as an Additional Director of the Company under Section 161(1) of the Act and as per the Articles of Association, with effect from 20th July, 2020 is eligible for appointment as an Independent Director.

Rashmi Bihani, aged around 40 years, is a Practicing Chartered Accountant. She is a Fellow member of the Institute of Chartered Accountants of India (FCA) and a Graduate from Calcutta University. She is proficient in the field of Audit, Assurance and Accountancy and has an experience of more than 15 years. She is also serving as consultant in various listed esteemed organisations in India. She also has expertise in International Taxation and Foreign Exchange Management.

The other details of her in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 is annexed to the Report on Corporate Governance. She is not related to any Director of the Company.

In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that She fulfils the conditions specified in the Act for her appointment as an Independent Director. After taking into consideration the recommendation of the Nomination & Remuneration Committee, the Board is of the opinion that her vast knowledge and varied experience will be of great value to the Company and has recommended the Resolution at Item No.5 of this Notice relating to the appointment of her as an "Independent Director", not liable to retire by rotation for a period of three consecutive years from the conclusion of the Company's Second Annual General Meeting till the conclusion of the Company's Fifth Annual General Meeting, for the your approval.

The Company has received the requisite declaration confirming that the above person meet the criteria of Independence as per Section 149(6) of the Act and the applicable SEBI Regulations, having given her consent to act as Independent Director, if appointed.

In the opinion of the Board, She fulfills the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as Independent Non-Executive Director and is Independent of the management.

The Company and its Independent Directors will abide by the provisions specified in Schedule IV of the Act, and be governed and guided by the guidelines of professional conduct, role and functions, duties, manner of appointment, reappointment, resignation or removal, separate meetings and evaluation mechanism as provided therein, Her appointment once made at the Meeting shall be formalised through a letter of appointment, which will set out amongst others:

- (a) the term of appointment;
- (b) the expectation of the Board from the concerned person; the Board-level Committee(s) in which he is expected to serve and its tasks;
- (c) the fiduciary duties that come with such appointments along with accompanying liabilities;
- (d) provision for Directors and Officers (D & O) insurance, if any;
- (e) the Code of Business Ethics that the Company expects its Directors and employees to follow;
- (f) a list of actions that a Director should not do while functioning as such in the Company; and
- (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Board and other Meetings and profit related commissions, if any.

Formal letter of appointment will be issued to her upon the general body agreeing to the appointment. The terms and conditions of such appointment shall be open for inspection at the Registered Office of the Company by any Member during 11.00 AM to 4.00 PM, Monday to Friday, and shall also be posted on the Company's website.

She should be deemed concerned or interested in the particular Resolution seeking to appoint herself.

No other Director / Key Managerial Personnel or any relative of the Directors or Key Managerial Personnel have any concern or interest in the Resolutions.

The passing of this Resolution does not and will not relate to or affect any other company.

Registered Office:

9/1, R. N. Mukherjee Road,
8th Floor, Birla Building
Kolkata - 700 001

Date: 31st July, 2020

**By Order of the Board
For Birla Tyres Limited**

**Rajat Arora
Company Secretary**

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31st MARCH, 2020

Dear Members,

The Board presents the Company's Second Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2020.

FINANCIAL RESULTS

₹ / Crores

Particulars	31 st March, 2020	31 st March, 2019
Total Revenue	538.46	-
Profit/(Loss) before Interest, Depreciation, Tax and other Amortizations ("EBIDTA")*	(96.87)	(0.01)
Add : Exceptional (Expense)/Income	-	-
Less : Depreciation and Amortization Expenses (Net of transfer from Revaluation Reserve)	38.06	-
Finance Costs	151.74	-
Tax Expenses – Net	-	-
	189.80	-
Profit/(Loss) for the year from continuing operations	(286.67)	(0.01)
Other Comprehensive Income (OCI) (net of tax expense)	-	-
Remeasurement of post-employment benefit obligations	(2.32)	-
Fair valuation of equity investments	-	-
Income tax relating to these items that will not be reclassified subsequently to the statement of profit and loss	-	-
Total Comprehensive Income/(Loss) for the year	(288.99)	(0.01)

*EBIDTA before OCI

DIVIDEND

No dividend is recommended in view of the loss during the year and non-availability of any carry forward surplus.

SHARE CAPITAL

The Paid-up Equity Share Capital as on 31st March, 2020 amounted to ₹ 142.59 Crores and was comprised as follows

₹ / Crores

Equity Share Capital as on 1 st April, 2019	0.01
Less: Cancelled during the year ¹	(0.01)
Add: Equity Shares allotted during the year ²	142.59
Closing Equity Share Capital	142.59

DEPOSITS

The Company did not accept deposits referred to in Chapter V of the Act during the financial period under review as such the disclosures under Rule 8(5) (v & vi) of the Companies (Accounts) Rules, 2014 are not applicable.

¹Pursuant to Scheme of Arrangement vide NCLT order dated 8th day of November, 2019 with Kesoram Industries Limited.

²Pursuant to Scheme of Arrangement vide NCLT order dated 8th day of November, 2019 with Kesoram Industries Limited.

GENERAL REVIEW

The main objective of the Company is to carry on the business of manufacturing and dealing in automotive tyres.

There were operations of the Company post the demerger from Kesoram Industries Limited during the financial period under review. The revenue for the period was ₹ 538.46 Crores and the loss for the period was ₹ (288.99) Crores.

A Division of Kesoram Industries Limited (Tyres Division) was transferred to the Company (Birla Tyres Limited) vide NCLT Order dated 8th November 2019. Company shares were listed on NSE and BSE on 10th February, 2020.

APPROVAL OF SCHEME OF ARRANGEMENT & LISTING OF SHARES

The Board of Kesoram Industries Limited (the “**Demerged Entity**”), with a view to reorganise its operating Businesses has proposed a “spin off” of the Tyre Business through the demerger route into a new Company, Birla Tyres Limited (the “**Resultant Entity**”) effective commencement of business, 1st January, 2019.

The Scheme of Arrangement, which was filed before the National Company Law Tribunal (“**NCLT**”), Kolkata bench for the demerger of the Tyre business to our company from Kesoram Industries Limited, was approved by National Company Law Tribunal (“**NCLT**”), Kolkata Bench vide its Order dated 8th November, 2019. The Certified Copy of the Order was filed by our company with the RoC on 4th day of December 2019 (the “**Effective date**”). Consequently, in terms of the Scheme of Arrangement the Tyre Business was transferred and vested from Kesoram Industries Limited on the Effective date with the appointed date of 1st January, 2019.

Further with receipt of in-principle and trading approvals of the Stock Exchanges the shares of Birla Tyres Limited got listed on BSE and NSE with effect from 10th day of February, 2020.

MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE

A Management Discussion & Analysis and the Report on Corporate Governance are attached as **Annexures I and II** respectively of this Report.

RISK MANAGEMENT

The Company has a Risk Management Policy to deal with perceived risks in its business by identifying and evaluating business risks and opportunities.

The approach of Risk Management is defined across the Company at various levels, including documentation and reporting, interspersed with diverse risk models to help identify risk trends, exposure and potential impact analysis at the corporate level.

GOING CONCERN STATUS

There were no significant or material orders passed by Regulators/ Courts / Tribunals impacting or influencing the Company’s going concern status and/or its future operations.

INTERNAL FINANCIAL CONTROLS

The Company’s Internal Financial Control framework is in line with current best practices and effectively addresses emerging challenges of its business.

The Board reviews from time to time the adequacy and effectiveness of the Company’s Internal Financial Controls ensuring that process and business level controls are in place. The reviews conducted during the year did not indicate any material deficiency in the Internal Financial Control Structure.

EVALUATION OF BOARD PERFORMANCE

The performance of the Board, its Committees and each Board Member individually are subjected to evaluation during the year by the Board in line with the provisions of Section 178(2) of the Act. A brief statement on the methodology adopted appears in the Corporate Governance Report.

Though mandated under the provisions of the Act, a Meeting of all Independent Directors was required to be held during the year but due to the COVID-19 pandemic relaxation for the same was provided by the Ministry of Corporate Affairs.

NUMBER OF BOARD MEETINGS

A tentative calendar of Board Meetings to take place in each financial year is prepared and circulated amongst Board Members and Key Management Personnel before the beginning of that financial year. During the year, six Board Meetings were convened and held. These details appear in the Report on Corporate Governance.

NOMINATION AND REMUNERATION POLICY

The provisions of Section 178 of the Act with regard to constitution of Nomination and Remuneration Committee is applicable to the Company and the Company's Nomination and Remuneration Policy prepared in conformity with the requirements of Section 178(3) of the Act is available on www.birlatyre.com and, as a result, does not form part of this Report.

All recommendations of the Nomination and Remuneration Committee made during the year were accepted by the Board and there were no instances of any disagreement between the Committee and the Board.

AUDIT COMMITTEE

The Audit Committee is chaired by Kashi Prasad Khandelwal, an eminent Chartered Accountant, Prabal Kumar Sarkar & Radhakrishnan Padmalochanan are the other Members. Anirban Moulik, Chief Financial Officer is a permanent invitee to the Meetings. The Company Secretary acts as Secretary to the Committee.

There were no instances of any disagreement between the Committee and the Board and all recommendations of the Audit Committee made during the year were accepted by the Board.

CORPORATE SOCIAL RESPONSIBILITY

The Company does not meet the criteria specified in Section 135 of the Act requiring to constitute a Corporate Social Responsibility Committee and formulate a Policy for this purpose.

RELATED PARTY TRANSACTIONS

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Related Party Transactions are placed before the Audit Committee for approval. Wherever required, prior approval of the Audit Committee is obtained on an omnibus basis for continuous transactions and the corresponding actual transactions become a subject of review at subsequent Audit Committee Meetings.

All Related Party Transactions/Arrangements entered into by the Company during the year were on an arm's length basis and in the ordinary course of business.

There were no materially significant Related Party Transactions entered into by the Company with the Promoters, Directors, Key Management Personnel or other designated persons which could conflict with the interest of the Company as a whole and, as such, disclosure in Form AOC-2 pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014 has not been made.

SUBSIDIARIES, ASSOCIATES & JOINT VENTURES

The Company does not have any Subsidiary, Associate or Joint Venture.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the Financial period under review, the Company did not make any investment in any body-corporate or given any guarantee or provided any security stipulated in Section 186 of the Act.

VIGIL MECHANISM

The Whistle Blower Policy of the Company is available on its website www.birlatyre.com.

STATUTORY AUDITOR AND THEIR REPORT

Shareholders at the Company's First Annual General Meeting appointed Messrs. Deloitte Haskins & Sells, Chartered Accountants, Auditors of the Company for a period of five years from the conclusion of the First Annual General Meeting.

In the Report of the Auditors for the year ended 31st March 2020 forming part of this Annual Report, the Auditors have given following observations on: -

- i) Note No. 39 of the Notes to Financial Statements;
- ii) Note No. 40 of the Notes to Financial Statements and clause 1(e) of the 'Report on Other Legal and Regulatory Requirements' read with clause (viii) of the Annexure B to the said Report; and
- iii) Clause 1(h) of Report on Other Legal and Regulatory Requirements read with clause (xi) of the Annexure B to the said Report of the Independent Auditor's Report.

In relation to the observation made in Note No 39 referred under point no (i) above, the bifurcation is as per Clause 4.2.10.3 of the Scheme of Arrangement approved by the National Company Law Tribunal, Kolkata in line with Explanation 2(c) to Section 2(19AA) of the Income Tax Act, 1961; in relation to the observation referred under point (ii) above, Note No 40 read with clause 1(e) and clause (viii) of the Annexure B referred to above are self-explanatory; and in relation to the observation referred under point (iii) above, the Company has been advised by its legal advisors that the provision of Section 197 of the Act apply to directors, including managing and whole time directors, and manager and would not apply to a key managerial personnel unless such person is also a director or a manager. In the circumstances, the Company does not require approval in the ensuing Annual General Meeting.

COST AUDITOR

As per recommendation of Audit Committee, Mani & Co., Cost Accountants, are appointed by the Board to audit the cost accounting records maintained by the Company pursuant to Section 148 of the Act for the financial year ending 31st March, 2021 at a total remuneration of ₹ 2.94 lakhs, excluding taxes and reimbursement of out of pocket expenses. An appropriate Resolution has been incorporated in the Notice convening the Second Annual General Meeting for the ratification of remuneration of the Cost Auditors.

SECRETARIAL AUDIT AND SECRETARIAL STANDARDS

As per Section 204 of the Act, report by Salil Banerjee, Practising Company Secretary, appointed by the Board to conduct the audit of the Company's secretarial records in respect of the Financial Year 2019-20 in Form No. MR-3 appears under **Annexure III**. There are no qualifications in the said Report.

The Company has complied with Secretarial Standards formulated by the Institute of Company Secretaries of India and notified by the Central Government for implementation.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other particulars as prescribed under the provisions of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in **Annexure IV** and forms part of this Report. None of the employees listed in the said Annexure is related to any Director of the Company.

As per the provisions of Section 136 of the Act read with MCA circular dated 5th May, 2020 and SEBI circular dated 12th May, 2020, the Annual Report and Accounts are being sent through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories excluding the information on employee particulars as per Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended. This information is readily available for inspection by Members at the Company's Registered Office between 3 p.m. and 5 p.m. on all working days (excluding Saturdays) up to the date of the forthcoming Annual General Meeting. Should any Member be interested in obtaining a copy (including through e-mail), s/he should write to the Company Secretary at the Company's Registered Office or request by e-mail at cs@birlatyre.com.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place the requisite Internal Committees as envisaged under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaints on the issues covered by the above Act were received during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) the Act and, based upon representations from the Management, the Board, to the best of its knowledge and belief, states that:

- (a) in the preparation of the Annual Accounts, applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) such accounting policies have been selected and applied consistently and such judgments and estimates made 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 ended 31st March, 2020 and of the loss for the year;
- (c) proper and sufficient care was taken for 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 Annual Accounts have been prepared on a going concern basis;
- (e) proper internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- (f) proper systems have been devised to ensure compliance by the Company with the provisions of applicable laws and that such systems are adequate and working effectively.

DIRECTORS

Manjushree Khaitan, appointed as Chairman & Non-Executive Director of the Company with effect from 2nd December, 2019 in the First Annual General Meeting of the Company not liable to retire by rotation.

Kashi Prasad Khandelwal, appointed as an Independent Director for a period of 3 (Three) consecutive years with effect from 2nd December, 2019 in the First Annual General Meeting of the Company;

Prabal Kumar Sarkar, appointed as an Independent Director for a period of 3 (Three) consecutive years with effect from 2nd December, 2019 in the First Annual General Meeting of the Company;

Mangala Radhakrishna Prabhu, appointed as an Independent Director for a period of 3 (Three) consecutive years with effect from 2nd December, 2019 in the First Annual General Meeting of the Company. Further due to her pre-occupation with other companies, she resigned with effect from 12th day of March, 2020;

Bharat Damodar Vasani, appointed as an Independent Director for a period of 3 (Three) consecutive years with effect from 2nd December, 2019 in the First Annual General Meeting of the Company. Further due to his pre-occupation with other companies, he resigned with effect from 17th day of February, 2020;

Radhakrishnan Padmalochanan, retiring by rotation and being eligible, be and was thereby re-appointed as a Non-Executive Director of the Company with effect from 2nd December, 2019 in the First Annual General Meeting of the Company;

Kaushik Biswas, appointed as a Non-Executive Non-Independent Director of the Company with effect from 2nd December, 2019 in the First Annual General Meeting of the Company, retires by rotation and, being eligible, offers himself for re appointment.

Gautam Ganguli, appointed as a Director of the Company at the time of incorporation of the Company. Further due to his pre-occupation with other companies, he resigned with effect from 25th October, 2019.

Prithiraj Mukherjee, appointed as a Director of the Company at the time of incorporation of the company. Further due to his pre-occupation with other companies, he resigned with effect from 13th November, 2019.

All Independent Directors have furnished to the Company the requisite declarations that they meet the relevant independence criteria as laid down in Section 149(6) of the Act as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief profiles of Directors being appointed / re-appointed at the forthcoming Second Annual General Meeting have been given in the Report on Corporate Governance.

KEY MANAGERIAL PERSONNEL

The following persons functioned as Key Managerial Personnel during the year:

Herve Frederic Richert	Chief Executive Officer (effective 4 th December, 2019)
Anirban Moulik	Chief Financial Officer (effective 29 th November, 2019)
Rajat Arora	Company Secretary (effective 24 th December, 2019)

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, set out in **Annexure V** to this Report.

MATERIAL CHANGES BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There were no material changes between the date of the Financial Statements and the Report of the Board of Directors during the financial period under review. The demerger of Tyre business from Kesoram Industries Limited into Birla Tyres Limited has already been dealt with elsewhere in this Report.

EXTRACT FROM ANNUAL RETURN

In terms of the provisions of Section 92 (3) of the Act read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return for the financial year ended 31st March, 2020 is given in **Annexure VI** to this Report.

ANNEXURE FORMING PART OF THIS REPORT

Annexure	Particulars
I	Management Discussion & Analysis
II	Report on Corporate Governance
III	Secretarial Audit Report
IV	Remuneration related disclosures as per Section 197
V	Energy Conservation Particulars
VI	MGT-9

APPRECIATION

The Board wishes to gratefully acknowledge the understanding and support received by the Company from its employees. It wishes also to thank the banking system, the Central Government, the various State Governments and the local authorities for the unstinted support received during the year.

This Report will be incomplete without a specific appreciation for the Members of the Company who have shown immense confidence and understanding in the Company's well-being.

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman

Kaushik Biswas
Director

Registered Office:

9/1 R.N. Mukherjee Road
8th Floor, Birla Building,
Kolkata – 700 001

Date: 31st July, 2020

ANNEXURE - I

MANAGEMENT DISCUSSION AND ANALYSIS

Performance Overview

The Company's performance during the year is shown below:

₹ / Crores

S.No.	Particulars	2019-20	2018-19
1	EBIDTA		
a)	Total EBIDTA including other comprehensive income	(99)	(0.01)
b)	Unallocated Income/(Expenses)	-	-
	Total EBIDTA	(99)	(0.01)
2	Exceptional Income	-	-
3	Finance Cost including interest	(152)	-
4	Cash Profit /(Loss)	(251)	(0.01)
5	Depreciation	(38)	-
6	Profit Before Tax	(289)	(0.01)
7	Tax Provision	-	-
8	Profit After Tax	(289)	(0.01)

Industry Overview

Indian Tyre Industry is self-sufficient with indigenous capacities to manufacture practically all kinds of tyres from a moped to off-the-road tyres. Not only has the Tyre Industry worked for a self-reliant India ever since independence but has emerged as a major exporter with Indian manufactured tyres being exported to more than 100 countries in the world including the US and European countries.

Indian tyres are meant and expected to perform under different and extreme road conditions prevailing in different geographical parts of the country. Indian Tyre Industry is increasingly converging with the world in terms of practices, product quality and research & development. It is an integral part of the Auto Sector, contributes to 3% of the manufacturing GDP of India. Major technological changes have taken place in tyre design from bias or diagonal ply to the steel radial tyres, tubeless tyres, with low aspect ratio tyres, puncture resistant tyres etc. Testing standards have also evolved accordingly to ensure high performance, mileage, safety, reliability and longevity of the tyres.

The demand of tyres is primarily catalyzed from two end-user segments - OEMs and the replacement segment. The Replacement market currently dominates the tyre market accounting for 60% of the total sales volume. Demand by the OEM segment is driven by new automobile sales trend, whereas, the replacement market is linked to the usage patterns and replacement cycles.

Indian tyre industry has been reporting good growth figures over the past few years for truck & bus segments, spurred by the growing two-wheeler, light commercial vehicle and farm tyre market. Though there is slightly de-grow on passenger vehicles in FY-20 but expected to regain its position in FY-21.

At a time when almost all the markets were dominated by multibrand dealerships, there has been a gradual transformation the way the markets worked by welcoming new formats such as Exclusive outlets, shop-in-shop concept, Franchise concept. Dealers of commercial vehicle tyres and passenger segment tyres are different, though some overlap does exist. Dealers of commercial vehicle tyres are also financing purchase of tyres for commercial vehicles and agricultural tyres. Dealers are also an important link between the tyre companies and the end consumers.

Risks and concerns

Profit margins on tyres plunged as a spate of headwinds hurt its operating margin. Rising prices of rubber and crude oil derivatives—major raw materials that comprise over 60% of a tyre maker's input costs is hurting the operating margin. With margins under strain, it is often difficult to pass on the entire input and other throughput cost increment to customers. This position tends to be an obstacle to the industry of the required internal surpluses so essential for expansion of tyre production facilities.

It has been realized "tyres", is altogether a special segment which would call for investments in brand building to further the cause of equity of a particular brand in a discriminating market. Existence of low profitability in the industry tends to dilute efforts in this direction given the industry's competitive setting and the fact that there are only limited restriction on imports and that also only from China.

Stepping upon minimizing the ill effects of the disequilibrium in margins, industry is reworking upon the strategic approach. This process will serve to rationalise and streamline existing recipes and the application of chemicals and compounds in tyre manufacture. It would be an organic journey, wherein there may be a marginal increment in development costs in the short run but will pay off going forward.

The industry needs nonetheless to do much more in stepping up the gas on tyre related research. As the technology keeps changing at a very fast pace and with new innovations coming up in this arena, it is important to be ahead of the curve in producing dedicated tyres for new generation vehicles, including the electric vehicles.

Growth drivers and Outlook

The country is today a growing market. The gradual exposure of the Indian economy to the more developed markets abroad has helped create a multiplier effect on the various components that go into the configuration of a country's economy. The Union Government on 01.02.2020 had reasonably estimated India's nominal GDP growth rate of 10%. The slowdown in demand, closure of production activities, fall in the global price of crude oil, ban on foreign trade, amongst others, are bound to adversely affect inflation, thereby affecting the economy chart. It is believed that COVID-19 would adversely bring down the country's GDP growth rate.

Road conditions are improving virtually by the day. Indeed there has been a credible move towards concretising road surfaces both in urban agglomerations as well as state and national highways. The progressive upgradation in road conditions and their geographical spread across the country has been a fillip to road transport. As the Indian economy expands in size, so will road transport and therefore the demand for tyres. And this market need will not be for commercial vehicles alone. There will be a demand boost for tyres of all types of automotive vehicles including off the road ones.

The government has been speaking about improving the infrastructure in the country. This could be a ray of hope for the OEMs as road construction would improve sales of tippers, dumpers and other construction equipment. At the moment, even the smallest of hope is seen as a savior and the OEMs are looking at every single such opportunity.

The RBI has allowed one-time restructuring for micro, small and medium enterprises (MSMEs) registered with GST up to December 31, 2020, without any downgrade but with five per cent additional provisioning. It has also proposed to extend the partial credit guarantee scheme to cover new term loans sanctioned by banks to small- and mid-sized NBFCs up to 20 per cent of loan amount till the entire loan is repaid.

Lot of promising work is happening on National Logistics Policy, which aims to promote seamless movement of goods across the country. It looks at several areas such as process re-engineering, digitization and focus on multi-modal transport. It is also looking at Exim trade and improving logistics in core sectors such as coal, fertilizer, cement & steel. The policy would improve India's trade competitiveness and performance in global rankings and pave the way for India to become the logistic hub.

The Company's Tyre Business going forward

The business will continue to be an influential player in Bias Segment which have even today a steady demand. Several new bias product offerings are in the pipeline, including a range of fuel savers for truck and bus, re-engineered for light commercial vehicles tyres will now enter the market.

Even so, the business, during the current year, will further re-position and consolidate its radial offerings in keeping with its standing as a key industry player. Radials for commercial vehicles as well as for passenger cars will be unfolded in a phased manner. Two and three wheeler tyres constitute an attractive slot in a thriving market. The business will more effectively leverage this market during the current year through strong network of dealers.

Exports will be another thrust area. Besides the conventional markets in South-East Asia where the business already has a presence, efforts are on to enhance visibility in several other select overseas markets. At the same time, attention to further refining manufacturing technology and managing supply chain is being accorded the priority they deserve. Economising on sourcing costs, for instance, the use of alternative materials and other input items are under serious consideration. The Research & development centre is working on advanced simulation techniques for better product performance and lesser service failures.

In overall terms, the Tyre business looks to the future with confidence.

Financial Performance during 2019-20

Birla Tyres Limited was incorporated as a public limited company on 22nd November 2018 under the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies. The "Tyre Business" of Kesoram Industries Ltd. has emerged as a separate company, Birla Tyres Ltd by virtue of Scheme of Arrangement approved by NCLT on 8th November, 2019 and on filing of the Scheme with ROC, the Scheme became effective from 4th December, 2019, with retrospective effect from 1st January, 2019.

The "General Review" incorporated in the Directors' Report sets out a brief performance resume of the Company's operating business.

- A. The Interest Coverage Ratio stood negative 0.90 as at 31st March, 2020.
- B. The Operating Profit Margin percentage stood at negative 0.21 as at 31st March, 2020.
- C. The Net Profit Margin percentage is also negative at 0.61 as at 31st March, 2020.

The Net Worth as at 31st March, 2020 is negative ₹ 283 Crores.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof, including:

Sl. No.	Particulars	2019-20	2018-19*
i)	Debtors Turnover Ratio	8.15	-
ii)	Inventory Turnover Ratio	3.50	-
iii)	Interest Coverage Ratio	-0.90	-
iv)	Current Ratio	0.24	-
v)	Debt Equity Ratio	-3.17	-
vi)	Operating Profit (%)	-0.21	-
vii)	Net Profit Turnover (%)	-0.61	-
viii)	Return on Equity (%)	1.01	-

*Since Financial year 2019-20 is the First year of full operations after the Demerger of Tyre Division of Kesoram Industries Limited to Birla Tyres Limited, pursuant to the Scheme of Demerger as approved vide NCLT Order dated 8th Day of November, 2019, hence the ratios are not comparable.

Internal Control Systems and their adequacy:

This has been covered in the Directors' Report.

Material Developments in Human Resources

Human Resources continue to be the cornerstone around which the Company functions. The Company engages with the people who work for it on a proactive basis so as to transform the environment from a "place of work" to a 'place to work'. The Company believes that such approach has assisted it enormously in promoting harmony and a sense of belonging amongst those working for it thereby seeking to enhance their work life balance. The gradual evolution of this perception constitutes, according to the Company, a defining sign of sustained employee commitment to its wellbeing.

The number of people employed as on 31st March, 2020 is separately covered under **Annexure IV** to the Directors Report.

Industrial relations remained cordial during the year.

Impact of Novel Corona Virus (COVID-19) upon Tyre Industry:

(A) Corona Virus (COVID-19) and impact upon Tyre Industry:

The economy of India is characterized as a developing market economy. The effect of Corona virus is badly felt; Obviously, India was bound to be affected and India put all its machinery and material into motion to curb and/or prevent the disease. What started as one day "Janta curfew" till the entire country was declared to be under lockdown from the midnight of 24.03.2020, and the same continues till date to some relaxation in norms.

The COVID-19 pandemic has wreaked havoc in every other manufacturing industry across the globe, and with the automotive industry facing temporary suspension, the tyre industry in India predicts a loss of nearly ₹ 5000 Crore in the coming months.

Stock lifting from factories and transporting the same to auto manufacturers came to a standstill after the government announced a nationwide lockdown, effective March 25th, 2020. Therefore, the entire quantity of production is stockpiled at the factory premises. In fact, tyre manufacturers were facing difficulties with storage space.

The tyre Industry is managing liquidity through three different ways:

First, by focusing on early/timely collection of receivables. Second, we are seeking some additional credit lines from our bankers. The RBI's latest liquidity infusion aids a lot. And third, companies are talking to its vendors to see if the payments to them can be rescheduled.

In the later part of Q1, Tyre manufacturers' operations are poised to scale up and ensure that the products continue to be made available to our customers. With respect to Q2, it is foreseen that the production constraint would ease off, due to relaxation in lockdown norms resulting in increased output which further would lead to generating improved revenues. Accordingly Q3 & Q4 is poised to witness more robust demand of tyres in heavy and light commercial segment, two wheeler segment respectively.

(B) Birla Tyres Limited tackling Covid-19 crisis to remain productive:

We at Birla Tyres Limited are working as a community to prepare for the impact of COVID-19 by addressing primarily the health and safety of our customers, people and employees. There are a number of measures we are taking to ensure we manage to get through this situation while continuing to serve our customers, business partners effectively.

The company is taking all recommended precautions and preventive measures to ensure health and safety and to contain the spread of corona virus, including implementation of the work from home policy for all its offices

We are sure together we will overcome this crisis and emerge victorious.

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman

Kaushik Biswas
Director

Registered Office:

9/1 R.N. Mukherjee Road
8th Floor, Birla Building,
Kolkata – 700 001

Date: 31st July, 2020

REPORT ON CORPORATE GOVERNANCE

FOR THE YEAR ENDED 31st MARCH, 2020

1. GOVERNANCE PHILOSOPHY

The Company's Philosophy on Governance is structured on Principles and Practices that seek to imprint fairness, transparency and ethical behaviour in its dealings with Stakeholders.

The Listing Regulations became applicable to the Company with effect from 10th February 2020, i.e. the date when the equity shares of the Company got listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). A report on the Company's compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), as amended from time to time, is given hereunder.

2. BOARD OF DIRECTORS

i) Composition of the Board as on 31st March, 2020 and their Directorships, Committee positions held in other Companies and shares held by them as on that date:

As on 31st March, 2020, the Company had Five Directors, two of whom were Independent and one Woman Director. The Composition of the Board complies with the provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"). Details of Board composition are as follows:

Directors	Designation	Category	No. of other Directorships held *	No. of Independent Directorships held in listed Companies	No. of other Board Committees **		Share Holding in the Company
					As a Member	As a Chairman/ Chairperson	
Manjushree Khaitan	Chairman	Non-Executive Non-Independent	3	0	0	0	720158
Kashi Prasad Khandelwal	Director	Non-Executive Independent	5	5	4	2	NIL
Prabal Kumar Sarkar	Director	Non-Executive Independent	0	1	1	0	NIL
Radhakrishnan Padmalochanan	Director	Non-Executive Non-Independent	1	0	1	0	NIL
Kaushik Biswas	Director	Non-Executive Non-Independent	1	0	0	1	NIL

* Excluding Birla Tyres Limited, Private Companies, Companies under Section 8 of the Companies Act, 2013 ("the Act") and foreign companies.

** Only two Committees viz., the Audit Committee and the Stakeholders' Relationship Committee have been considered for this purpose in terms of Regulation 26(1) (b) of LODR Regulations.

None of the Directors of the Company are related as per the provisions of the Act.

ii) Details of Directorships in other listed entities held by the Directors of the Company as at 31st March, 2020:

Name	Name of the Company	Designation
Manjushree Khaitan	Kesoram Industries Limited	Non-Executive Non-Independent Chairman
Kashi Prasad Khandelwal	Kesoram Industries Limited	Non-Executive Independent Director
	GPT Infraprojects Limited	Non-Executive Independent Director
	Balasore Alloys Limited	Non-Executive Independent Director
	LIC Housing Finance Limited	Non-Executive Independent Director
Prabal Kumar Sarkar	NIL	N.A.
Kaushik Biswas	NIL	N.A.
Radhakrishnan Padmalochanan	Kesoram Industries Limited	Whole-Time Director and CFO

iii) List of core skills/expertise/competencies required in the Company's Board to enable it function effectively and those actually available:

The Board identifies the following core skills/expertise/competencies that it perceives it ought to have in the process of governing the Company. It is further of the view that as a whole it possesses these skills/expertise/competencies and is applying them in governing the Company:

- Strategising capability;
- Capacity to identify risks and macro level concerns in the Company;
- Aptitude in the arenas of finance, control, information technology and governance mechanisms so as to be able to examine and analyse these areas in the context of the Company's requirements and be in a position to determine gaps in the Management's thought process or the approach to these;
- Ability to judge the degree of adroitness and clear thinking that go into taking business decisions taken by the Management, identify discontinuities and anomalies, critique such decisions where necessary and thereafter direct initiation of the required action as deemed best under the circumstances;
- Encouraging diversity in the methodologies of the Company looking at operational and related constraints and suggesting ways forward;
- Ability to engage in a healthy and cogent debate within itself (including in Board Committees) on the various governance processes with the objective of finding solutions to issues affecting the Company

Skill Sets	Director	Manjushree Khaitan	Kashi Prasad Khandelwal	Prabal Kumar Sarkar	Kaushik Biswas	Radhakrishnan Padmalochanan
Strategising capability		√	√	√	√	√
Capacity to identify risks and macro level concerns in the Company.		√	√	√	√	√
Aptitude in the arenas of finance, control, information technology and governance mechanisms so as to be able to examine and analyse these areas in the context of the Company's requirements and be in a position to determine gaps in the Management's thought process or the approach to these.		√	√	√	√	√
Ability to judge the degree of adroitness and clear thinking that go into taking business decisions taken by the Management, identify discontinuities and anomalies, critique such decisions where necessary and thereafter direct initiation of the required action as deemed best under the circumstances.		√	√	√	√	√
Encouraging diversity in the methodologies of the Company looking at operational and related constraints and suggesting ways forward.		√	√	√	√	√
Ability to engage in a healthy and cogent debate within itself (including in Board Committees) on the various governance processes with the objective of finding solutions to issues affecting the Company.		√	√	√	√	√

iv) Attendance of Directors at Board Meetings held during the Financial Year 2019-20:

Six Board Meetings were held during the Financial Year ended 31st March, 2020 on 28th May, 2019, 5th September, 2019, 25th October, 2019, 13th November 2019, 4th December 2019 and 12th February, 2020. The attendance of each Director at these Meetings and at the First Annual General Meeting ("AGM") held on 2nd December, 2019 was as follows:

Members	Attendance	
	No. of Board Meetings	AGM
Manjushree Khaitan	2	Yes
Radhakrishnan Padmalochanan	6	Yes
Prithiraj Mukherjee	4	No
Kaushik Biswas	4	Yes
Kashi Prasad Khandelwal	2	Yes
Gautam Ganguli	2	No
Prabal Kumar Sarkar	2	Yes
Mangala Radhakrishna Prabhu	1	No
Bharat Damodar Vasani	1	No

v) Details of Remuneration and Meeting Fees paid to Directors during the Financial Year 2019-20 (in ₹):

Sl. No.	Name of the Directors	Sitting fees paid for	
		Board Meetings	Committee Meetings*
1	Manjushree Khaitan	1,00,000	–
2	Radhakrishnan Padmalochanan	–	–
3	Prithiraj Mukherjee	–	–
4	Kaushik Biswas	–	–
5	Kashi Prasad Khandelwal	1,00,000	1,00,000
6	Gautam Ganguli	–	–
7	Prabal Kumar Sarkar	1,00,000	1,00,000
8	Mangala Radhakrishna Prabhu	1,00,000	–
9	Bharat Damodar Vasani	–	–
	Total	4,00,000	2,00,000

* Includes Non-Statutory Committees of the Company as well as Meeting of Independent Directors.

No Commission was paid to the Directors during the Financial Year 2019-20.

Manjushree Khaitan, appointed as an Additional Director of the Company at the Board Meeting held on 13th November, 2020 and She was appointed as a Chairman & Non-Executive Director of the Company at the Annual General Meeting held on 2nd December, 2019. The total remuneration paid to her during the period 13.11.2019 to 31.03.2020 is as under:

Particulars	Amount paid (₹)
Gross Salary:	Nil
(a) Salary [Section 17(1) of Income Tax Act, 1961]	Nil
(b) Value of perquisites	Nil
(c) Others : Contribution to Provident Fund	Nil
Total	Nil

Kashi Prasad Khandelwal, appointed as an Additional Director of the Company with effect from 13th November, 2019 and he was appointed as an Independent Director of the Company to hold office for a term of up to 3 (Three) consecutive years from the conclusion of the Company's First Annual General Meeting till the conclusion of the Company's Fourth Annual General Meeting. The total remuneration paid to him during the period 13.11.2019 to 31.03.2020 is as under:

Particulars	Amount paid (₹)
Gross Salary:	Nil
(a) Salary [Section 17(1) of Income Tax Act, 1961]	Nil
(b) Value of perquisites	Nil
(c) Others : Contribution to Provident Fund	Nil
Total	Nil

Prabal Kumar Sarkar, appointed as an Additional Director of the Company with effect from 13th November, 2019 and he was appointed as an Independent Director of the Company to hold office for a term of up to 3 (Three) consecutive years from the conclusion of the Company's First Annual General Meeting till the conclusion of the Company's Fourth Annual General Meeting. The total remuneration paid to him during the period 13.11.2019 to 31.03.2020 is as under:

Particulars	Amount paid (₹)
Gross Salary:	Nil
(a) Salary [Section 17(1) of Income Tax Act, 1961]	Nil
(b) Value of perquisites	Nil
(c) Others : Contribution to Provident Fund	Nil
Total	Nil

Kaushik Biswas, appointed as an Additional Director of the Company at the Board Meeting held on 25th October, 2019 and he was appointed as a Non-Executive Director of the Company at the Annual General Meeting of the Company. The total remuneration paid to him during the period 25.10.2019 to 31.03.2020 is as under:

Particulars	Amount paid (₹)
Gross Salary:	Nil
(a) Salary [Section 17(1) of Income Tax Act, 1961]	Nil
(b) Value of perquisites	Nil
(c) Others : Contribution to Provident Fund	Nil
Total	Nil

Radhakrishnan Padmalochanan, retiring by rotation and being eligible, he and was thereby re-appointed as a Non-Executive Director of the Company with effect from 2nd December, 2019 in the First Annual General Meeting of the Company. The total remuneration paid to him during the period 01.04.2019 to 31.03.2020 is as under:

Particulars	Amount paid (₹)
Gross Salary:	Nil
(a) Salary [Section 17(1) of Income Tax Act, 1961]	Nil
(b) Value of perquisites	Nil
(c) Others : Contribution to Provident Fund	Nil
Total	Nil

Mangala Radhakrishna Prabhu (resigned w.e.f. 12th March, 2020), appointed as an Additional Director of the Company w.e.f 29th November, 2019 and she was appointed as an Independent Director for a period of 3 (Three) years with effect 2nd December, 2019 in Annual General Meeting of the Company. Further due to her pre-occupation with other companies and there being no material reasons other than those mentioned by her for resigning from the Board of Directors of the Company, she resigned with effect from 12th March, 2020. The total remuneration paid to her during the period 29.11.2019 to 31.03.2020 is as under:

Particulars	Amount paid (₹)
Gross Salary:	Nil
(a) Salary [Section 17(1) of Income Tax Act, 1961]	Nil
(b) Value of perquisites	Nil
(c) Others : Contribution to Provident Fund	Nil
Total	Nil

Bharat Damodar Vasani (resigned w.e.f. 17th February, 2020), appointed as an Additional Director of the Company w.e.f 29th November, 2019 and he was appointed as an Independent Director for a period of 3 (Three) years with effect 2nd December, 2019 in Annual General Meeting of the Company. Further due to his pre-occupation with other companies and there being no material reasons other than those mentioned by him for resigning from the Board of Directors of the Company, he resigned with effect from 17th February, 2020. The total remuneration paid to him during the period 29.11.2019 to 31.03.2020 is as under:

Particulars	Amount paid (₹)
Gross Salary:	Nil
(a) Salary [Section 17(1) of Income Tax Act, 1961]	Nil
(b) Value of perquisites	Nil
(c) Others : Contribution to Provident Fund	Nil
Total	Nil

Gautam Ganguli (resigned w.e.f. 25th October, 2019), appointed as a Director of the Company at the time of incorporation of the Company. Further due to his pre-occupation with other companies, he resigned with effect from 25th October, 2019. The total remuneration paid to him during the period 01.04.2019 to 31.03.2020 is as under:

Particulars	Amount paid (₹)
Gross Salary:	Nil
(a) Salary [Section 17(1) of Income Tax Act, 1961]	Nil
(b) Value of perquisites	Nil
(c) Others : Contribution to Provident Fund	Nil
Total	Nil

Prithiraj Mukherjee (resigned w.e.f. 13th November, 2019), appointed as a Director of the Company at the time of incorporation of the Company. Further due to his pre-occupation with other companies, he resigned with effect from 13th November, 2019. The total remuneration paid to him during the period 01.04.2019 to 31.03.2020 is as under:

Particulars	Amount paid (₹)
Gross Salary:	Nil
(a) Salary [Section 17(1) of Income Tax Act, 1961]	Nil
(b) Value of perquisites	Nil
(c) Others : Contribution to Provident Fund	Nil
Total	Nil

Apart from the above, no other pecuniary relationships (including stock options) or transactions vis-a-vis the Company existed with any Director during the Financial Year 2019-20.

vi) Code of Conduct

The Company has a Code of Conduct applicable to all Board Members and Senior Management Staff for avoidance of conflict of interest between each of these individuals and the Company. Each Board Member and Senior Management staff has declared compliance with the Code of Conduct as at 31st March, 2020. There were no materially significant transactions during the Financial Year with Board Members and Senior Management, including their relatives that had or could have had a potential conflict of interest with the Company.

The Code of Conduct is available on the website of the Company.

3. AUDIT COMMITTEE

i) Terms of Reference

The Audit Committee has been mandated with the same terms of reference as envisaged in Section 177 of the Act and in Regulation 18 of the LODR Regulations.

ii) Composition, Names of Members and Chairman

The Audit committee of the Board of Directors was constituted on 4th December, 2019.

As on 31st March, 2020, the Audit Committee had three Non-Executive Directors as Members out of which two were Independent Directors and one was Non-Independent Director. Kashi Prasad Khandelwal chairs the Committee.

One Meeting was held during the Financial Year ended 31st March, 2020 on 12th February, 2020.

The composition of the Committee and attendance of each Member at the Meeting was as follows:

Members	No. of Meetings attended
Kashi Prasad Khandelwal, Chairman	1
Prabal Kumar Sarkar	1
Radhakrishnan Padmalochanan	1

The quorum for an Audit Committee Meeting is two Members personally present. The Company Secretary acts as the Secretary to the Audit Committee.

The following were invited to attend Audit Committee Meetings:

- the Statutory Auditors, as and when necessary.
- the Internal Auditors, as and when necessary.
- the Cost Auditors, as and when necessary.
- Anirban Moulik, Chief Financial Officer,
- Herve Frederic Richert, Chief Executive Officer.

Kashi Prasad Khandelwal, Chairman of the Committee & Prabal Kumar Sarkar are senior Chartered Accountants having professional standing of over decades with expert knowledge in finance, accounting and audit. Radhakrishnan Padmalochanan is also a qualified Chartered Accountant and a Cost and Management Accountant, with over twenty five years of rich experience in the Accounts, Finance and Treasury function in Industry.

All Members of the Committee are therefore financially literate.

The Chairman of the Audit Committee was present at the last Annual General Meeting ("AGM").

4. NOMINATION AND REMUNERATION COMMITTEE

i) Composition, Names of Members and Chairman

The Nomination & Remuneration Committee of the Board of Directors was constituted on 4th December, 2019.

As on 31st March, 2020, the Nomination & Remuneration Committee consisted of two Non-Executive Independent Directors, two Non-Executive Non-Independent Directors as Members and Kashi Prasad Khandelwal as the Chairman of the Committee.

The Company got listed on BSE & NSE with effect from 10th day of February, 2020, hence the Committee could not meet within a period of one month during the Financial Year 2019-20. The Company Secretary acts as the Secretary to the Committee.

The composition of the Committee and the attendance of each Member at the Meetings were as follows:

Members	No. of Meetings attended
Kashi Prasad Khandelwal, Chairman	–
Prabal Kumar Sarkar	–
Radhakrishnan Padmalochanan	–
Kaushik Biswas	–

The terms of reference of the Nomination and Remuneration Committee traverses the areas covered under Regulation 19 of the LODR Regulations and Section 178 of the Act.

ii) Nomination and Remuneration Policy:

The Committee formulated Policy accepted by the Board for implementation is available on the website of the Company under the weblink: www.birlatyre.com

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

i) Composition Names of Members and Chairman

The Shareholders' Relationship Committee of the Board of Directors was constituted on 4th December, 2019.

As on 31st March, 2020, the Stakeholders Relationship Committee consisted of two Non-Executive Non-Independent Directors as Members and Kashi Prasad Khandelwal as the Chairman of the Committee.

The Company was listed on BSE & NSE with effect from 10th day of February, 2020, hence the Committee could not meet within a period of one month during the Financial Year 2019-20.

The Company Secretary acts as Secretary to the Committee. The composition of the Committee and the attendance of each Member at the Meetings were as follows:

Members	No. of Meetings attended
Kashi Prasad Khandelwal, Chairman	–
Radhakrishnan Padmalochanan	–
Kaushik Biswas	–

The terms of reference of the Committee cover all the areas as mentioned under Regulation 20 of the LODR Regulations and Section 178 of the Act.

ii) Shareholders complaints received and redressed during the financial year 2019-20:

Nature of Grievances	Complaints received from				Total complaints received during 2019-20	Total complaints redressed	No. of complaints outstanding as on 31 st March, 2020
	Investors directly	Stock Exchanges	SEBI "SCORES"	ROC			
Non-receipt of Dividend/ Interest/ Redemption Warrants/NECs	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Non-receipt of Share / Debenture Certificate(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Non-receipt of Duplicate Share/ Debenture Certificate(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Demat related grievances	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Non-receipt of Annual Report(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Status of Application lodged for Rights Issue	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Reason for Non- Allotment of Shares in Rights Issue	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Change of Name on Securities	Nil	Nil	Nil	Nil	Nil	Nil	Nil
TOTAL	Nil	Nil	Nil	Nil	Nil	Nil	Nil

iii) Details of outstanding shares in the Unclaimed Suspense Account:

Particulars	Total No. of Shareholders	No. of Outstanding Shares lying in Unclaimed Suspense Account
As on 10 th February, 2020*	1	5
Shareholders, who approached the Company for transfer/delivery during 2019-20	Nil	Nil
Shares transferred/delivered during the year 2019-20	Nil	Nil
Shareholders, who approached the Company for transfer/delivery pending compliance of verification process	Nil	Nil
Shares transferred to Investor Education and Protection Fund (IEPF) u/s 124(6) of the Act read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.	Nil	Nil
Balance as on 31st March, 2020	1	5

* Shares of Birla Tyres Ltd. got listed on BSE & NSE on 10th February, 2020

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company does not meet the criteria specified in Section 135 of the Act requiring to constitute a Corporate Social Responsibility Committee and formulate a Policy for this purpose.

7. SEPARATE MEETING OF INDEPENDENT DIRECTORS

As per stipulations in Section VII of the Code for Independent Directors in Schedule IV of the Act and Regulation 25 of the LODR Regulations, a separate Meeting of the Company's Independent Directors was required to be held during the Financial Year 2019-20. The company got listed with BSE & NSE on 10th day of February, 2020, hence the Independent Directors could not meet within a period of one month during the Financial Year 2019-20.

All Independent Directors have furnished to the Company the requisite declarations that they meet the relevant independence criteria as laid down in Section 149(6) of the Act read with Regulation 16(b) of LODR Regulations.

8. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The familiarisation programme for Independent Directors is available on the website of the Company under the weblink: www.birlatyre.com

9. ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

An annual evaluation exercise is to be carried out by the Board during the year encompassing its own performance, those of its Committees as well as individual Board Members.

The exercise shall recognise that while Board Members were individuals, the Board or a Committee of the Board was a collective body. It was this collective body that took decisions even though individuals, constituting the collective body, had the right to dissent. Thus, what to put to test in the evaluation exercise is amongst other issues, the extent of perspicacity of each Member, whether sitting as part of the Board or any Committee, to meaningfully contribute to the formulation of Board decisions.

The company got listed with BSE & NSE on 10th day of February, 2020, after the Scheme of Arrangement with Kesoram Industries Ltd. was approved by NCLT, Kolkata Bench vide Order dated 8th day of November, 2019, it was not possible to evaluate for a period of one month.

10. COMPLIANCE OFFICER

The Company Secretary is the Compliance Officer under Regulation 6 of the LODR Regulations, and other applicable SEBI Regulations and Rules.

11. GENERAL BODY MEETINGS

(A) Details of last three AGMs held

AGM	Date of AGM	Location	Time
1 st AGM	02.12.2019	8 th Floor, Birla Building, 9/1 R. N. Mukherjee Road, Kolkata – 700 001	10 A.M TO 11.30 A.M

(B) Special Resolutions passed at previous three AGMs: N.A.

(C) Postal Ballot: N.A.

12. DISCLOSURE IN RELATION TO THE APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

As required under Regulation 36(3) of the LODR Regulations, brief profiles of Kaushik Biswas, Indrani Chakraborty & Rashmi Bihani:

Kaushik Biswas (Non-Executive, Non-Independent) DIN: 06919774: Kaushik Biswas has been on the Company's Board since 25th October, 2019, liable to retire by rotation being eligible to be re-appointed in the ensuing Annual General Meeting. He is a professionally qualified Company Secretary, and is neither a Shareholder nor related to any Director or any other Key Managerial Personnel or Promoter of the Company. He had rich experience close to 27 years which adds value to the Board.

Rashmi Bihani (Non-Executive, Independent) DIN: 07062288: Rashmi Bihani has been on the Company's Board since 20th July, 2020, holding office upto the conclusion of the ensuing Annual General Meeting. She is recommended of being appointed as an Independent Director of the Company to hold office for a term of up to 3 (Three) consecutive years from the conclusion of the Company's Second Annual General Meeting till the conclusion of the Company's Fifth Annual General Meeting. She is a Practicing Chartered Accountant and a Fellow member of the Institute of Chartered Accountants of India (FCA) and a Graduate from Calcutta University. She is proficient in the field of Audit, Assurance and Accountancy and has an experience of more than 15 years. She is also serving as consultant in various listed esteemed organisations in India. She also has expertise in International Taxation and Foreign Exchange Management. She holds no shares in the Company.

Indrani Chakraborty (Non-Executive, Independent) DIN: 00545029: Indrani Chakraborty has been on the Company's Board since 31st July, 2020, holding office upto the conclusion of the ensuing Annual General Meeting. She is recommended of being appointed as an Independent Director of the Company to hold office for a term of up to 3 (Three) consecutive years from the conclusion of the Company's Second Annual General Meeting till the conclusion of the Company's Fifth Annual General Meeting. She is a Practicing Chartered Accountant and a Fellow member of the Institute of Chartered Accountants of India (FCA) and a Post Graduate in Commerce from Calcutta University. She Qualified as a Chartered Accountant in 1991 and joined Price Waterhouse (Legacy Lovelock & Lewes) as a qualified Assistant and thereafter became the Director (Worked from Feb 1992 to Feb 2019). She has more than 25 years of experience in auditing with PWC network firm and has considerable experience in serving large entities (mostly listed). She has extensive experience in managing audits of companies engaged in different industries such as automotive, infrastructure and construction, industrial manufacturing, paints & chemicals, manufacturing, etc. She is presently engaged with A. Dasgupta & Co, Chartered Accountants as a Partner. She holds no shares in the Company.

13. DISCLOSURES

- The Audit Committee at its Meeting held on 12th February, 2020 has approved the Related Party Transaction Policy which is placed on the website of the Company. The weblink is www.birlatyre.com
- Transactions with Related Parties, as per requirements of Indian Accounting Standard 24 (IND-AS 24) in the prescribed format of Para A of Schedule V of LODR Regulations, 2015 are disclosed in the Notes to Accounts annexed to the Financial Statements. There are no materially significant transactions with Related Parties viz. Promoters, Directors or the Management or their relatives or Subsidiaries that had or could have potential conflict with the Company's interest. There were no Related Party Transactions in terms Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, which required disclosure in Form AOC -2 as such the same does not form part of the Directors' Report.
- The Company has complied with all relevant Indian Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended, while preparing the Financial Statements.

4. There are/were no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has or could have potential conflict with the interests of the Company at large.
5. The Company has complied with all requirements of the Listing Agreement as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India ("SEBI") for the financial year ended 31st March, 2020 except for late submission of Statement of Investor Complaints for quarter ended March 2020 under Regulation 13(3) of LODR Regulations within the stipulated time for which the penalties were imposed by the Stock Exchanges but the Company has requested the Exchanges to waive those penalties keeping in mind the lockdown period due to CoVID-19 pandemic. No other penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets.
6. The Company has in place a mechanism to inform Board Members of risk assessment and mitigation plans and periodical reviews to ensure that critical risks are controlled by the executive management. No Risk Management Committee has been constituted since this is not mandated for the Company under the LODR Regulations.
7. Independent Directors have confirmed to the Company that they meet the criteria of 'Independence' as stipulated under Regulation 16(b) of the LODR Regulations.
8. The Company has adopted a Whistle Blower Policy that has been placed on the website of the Company at the weblink www.birlatyre.com. The Policy contains guidelines to be followed by a whistle blower. No person has been denied access to the Audit Committee.
9. The Company has complied with Corporate Governance Requirements specified in Regulations 17 to 27 and Regulation 46(2)(b) to (i) of LODR Regulations.
10. All recommendations of the Board Committees made during the year were accepted by the Board. There were no instances of any disagreement between the Committees and the Board.
11. The status of compliance with non-mandatory recommendations of the Part E of Schedule II of LODR Regulations are provided below:
 - a) Non-Executive Chairman's Office: The Non-Executive Chairman maintains an office at the Company's Registered and Head Office in Kolkata.
 - b) Shareholders' Rights: As the quarterly and half yearly financial performance are submitted to the Stock Exchanges, published in the press and posted on the Company's website. These are not sent to shareholders separately.
 - c) Audit Qualifications: The Company's financial statements for the year 2019-20 does not contain any audit qualifications.
 - d) Separate posts of Chairman and CEO: The Chairman of the Board is a Non -Executive Director and her position is separate from that of the CEO.
 - e) Reporting of Internal Auditors: The Internal Auditors report to the Audit Committee.

14. DETAILS WITH RESPECT TO UTILISATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT

The Company has not, during the Financial Year 2019-20, raised funds through Preferential Allotment or Qualified Institutional Placement as specified under Regulation 32 (7A) of the LODR Regulations.

15. DISCLOSURE WITH RESPECT TO PAYMENT MADE TO STATUTORY AUDITORS

Details with respect to payment made by the Company for services provided by the Statutory Auditors appear separately under Notes to the Company's Financial Statements.

16. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place the requisite Internal Committees as envisaged in the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaints on the issues covered by the above Act were received during the year as follows:

a.	Number of complaints filed during the financial year 2019-20	Nil
b.	Number of complaints disposed of during the financial year 2019-20	Nil
c.	Number of complaints pending as on end of the financial year 2019-20	Nil

17. MEANS OF COMMUNICATION

(I) Financial Results, Annual Report etc.:

The quarterly Unaudited Financial Results and the Annual Audited Financial Results as approved and taken on record by the Board are sent to / filed with the Stock Exchanges where the Company's shares are listed and then published in various leading national newspapers, viz. Business Standard (English – all editions) and Dainik Statesman (Bengali edition)/Ek Din (Bengali edition). The Results are also posted on the Company's website www.birlatyre.com. All official releases and other related information are also displayed on this website.

The quarterly Unaudited Financial Results and the Annual Financial Results along with the Report on Segment Revenue, Results and Capital Employed, Balance Sheet, Statement of Profit & Loss, Directors' Report, Auditor's Report, Cash Flow Statement, Corporate Governance Report, Management Discussion and Analysis and Shareholding Pattern etc. can also be accessed by investors from the Company's website www.birlatyre.com

(II) Management Discussion and Analysis

The Management Discussion and Analysis, as reviewed by the Audit Committee, is part of this Annual Report.

18. GENERAL SHAREHOLDER INFORMATION

• Next AGM

Time	3.00 P.M.
Day	Tuesday
Date	29 th September, 2020
Venue	To be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

• The Company's Financial Year

The Financial Year of the Company is from 1st April to 31st March.

• Date of Book Closure

No Book Closure since no dividend is being declared.

• Stock Exchange related information

a. Listing on Stock Exchanges:

Equity Shares	BSE Limited ("BSE"), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
	National Stock Exchange of India Limited ("NSE"), Exchange Plaza, Bandra- Kurla Complex, Bandra (E), Mumbai-400 051

b. Codes:

i) Equity Shares	
BSE	542932
NSE	BIRLATYRE

There are no arrears in payment of Listing Fees.

c. ISIN No. for the Company's Listed Securities:

Equity Shares in Demat Form	INE0AEJ01013
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d. Depository Connectivity: National Securities Depository Limited and Central Depository Services (India) Limited.

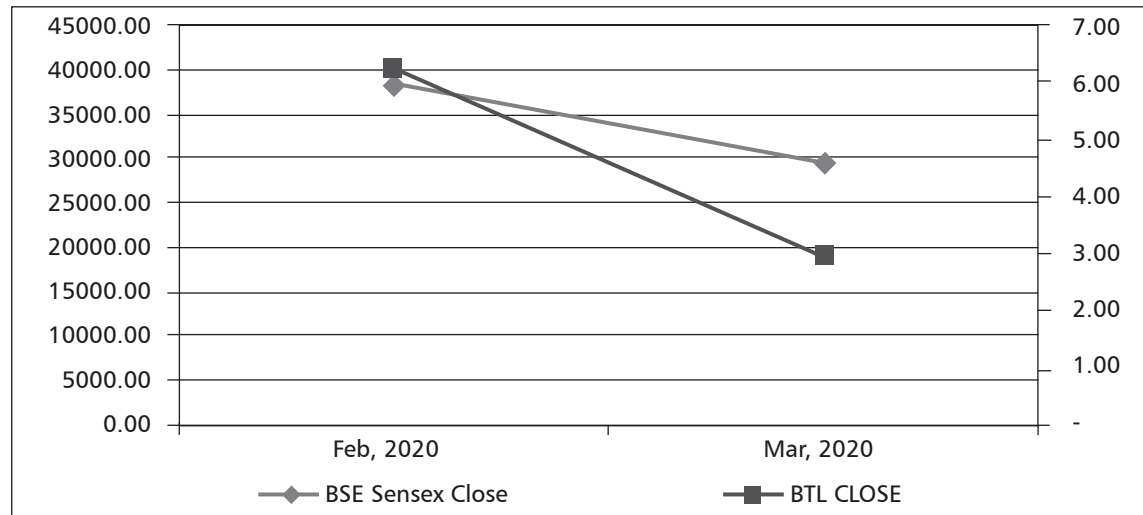
e. Stock Market Price Data:

Month	BSE Sensex Close	Share Price		
		High	Low	Close
February, 2020	38297.29	14.50	6.20	6.20
March, 2020	29468.49	5.89	2.52	2.95

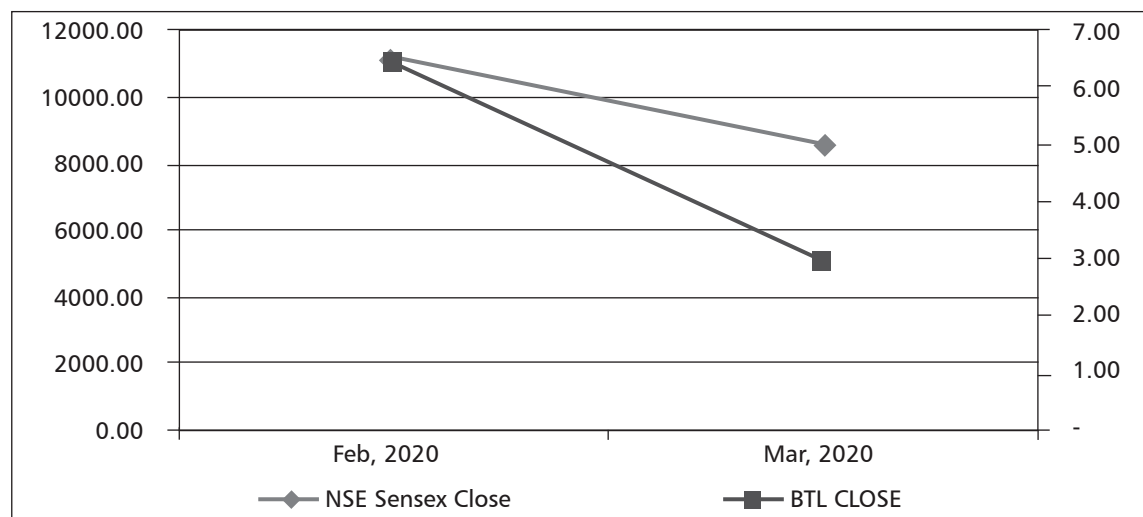
Month	NSE Nifty Close	Share Price		
		High	Low	Close
February, 2020	11201.75	14.95	6.45	6.45
March, 2020	8597.75	6.45	2.70	3.00

f. Performance in comparison to broad based indices such as BSE SENSEX and NSE NIFTY:

Birla Tyres Limited (BTL) Share Price on BSE vis-a-vis BSE Sensex (2019-20)



Birla Tyres Limited (BTL) Share Price on NSE vis-a-vis NSE Nifty (2019-20)



*Shares of Birla Tyres Limited got listed on BSE & NSE on 10th Day of February, 2020.

g. Registrar and Share Transfer Agent:

MCS Share Transfer Agent Limited
(Unit: Birla Tyres Limited)
383, Lake Gardens, 1st Floor, Kolkata -700 045
Phone Nos.: +91 33 40724051 to 52
Fax No.: +91 33 40724050
E-mail:mcssta@rediffmail.com

h. Share Transfer System:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and Company Executives (including Company Secretary) are authorised by the Board severally to approve transfers, which are noted at subsequent Committee Meeting as well as Board Meeting.

i. Distribution of shareholding as on 31st March, 2020:

(a) According to category of holding:

Category	No. of Share Holders	% of Share holders	No. of Shares	% of Shares
Promoters	16	0.018	75761340	53.133
Mutual Funds / UTI	11	0.012	12320	0.0087
Financial Institutions & Banks	35	0.039	182894	0.1283
Foreign Portfolio Investors	5	0.005	114553	0.0804
Insurance Companies	5	0.005	5034087	3.5304
NRI/OCB's	783	0.879	4616536	3.2376
Enemy Property	5	0.005	1296	0.001
Private Body Corporates/Trust	877	0.99	13142047	9.2166
Individuals	87477	98.04	36150595	25.3528
Unclaimed Suspense A/c	1	0.001	5	0.0000
Overseas Depositories	1	0.001	7041875	4.9385
IEPF Authority	1	0.001	340251	0.2386
NBFCs registered with RBI	3	0.003	167280	0.1174
Co-operative Societies	1	0.001	25000	0.0176
Total	89221	100.00	142590079	100.00

(b) According to the number of Equity Shares held:

No. of Equity Shares Held	No. of Share Holders	% of Share holders	No. of Shares	% of Shares
1-100	58869	65.9804	2254087	1.5808
101-200	9876	11.0690	1658543	1.1632
201-500	10503	11.7718	3853810	2.7027
501-1000	4907	5.4998	4031922	2.8276
1001-5000	4158	4.6603	9234204	6.4760
5001-10000	496	0.5559	3702429	2.5966
10001 and Above	412	0.4629	117855084	82.6531
Total	89221	100.00	142590079	100.00

j. Dematerialisation and Rematerialisation:

Requests for Dematerialisation and Rematerialisation should be sent either to the Company's Registrar and Share Transfer Agent or at the Registered Office of the Company at Birla Building, 8th Floor, 9/1, R. N. Mukherjee Road, Kolkata -700 001.

k. Dematerialisation of shareholding:

The Company's Equity Shares are compulsorily traded in the dematerialised form. 14,16,78,582 Equity Shares of the Company representing 99.36% of the total Equity Shares issued were held in dematerialised form as on 31st March, 2020. Investors have an option to dematerialise their Equity Shares either with National Securities Depository Limited or Central Depository Services (India) Limited.

l. Insider Trading:

The Company has implemented the Code of Internal Procedure & Conduct under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended.

m. Plant Locations:

Section	Factory Location	Registered Office	Run under Name & Style of
Automobile Tyres and Tubes	AT/P.O. Chhanpur, Via. Kuruda, Dist. Balasore, Odisha, Pin-756056 Phone: +91-6782-255080 / 064 / 641 / 780 Fax: +91-6782-255225 E-mail: btbls@birlatyre.com	8 th Floor, Birla Building 9/1, R. N. Mukherjee Road Kolkata-700001 Phone: +91-33-2262 4411-13, +91-33-22624355-57. Fax: +91-33-2262 4359 E-mail: corporate@birlatyre.com	Birla Tyres Limited

n. Address for Correspondence:

(a) For routine matters:

Any assistance regarding share transmission, change of address, non-receipt of dividend, duplicate / missing Share Certificate, demat and other matters, investors are welcome to get in touch with the Registrars and Share Transfer Agent of the Company at the address given below:

Registrar and Share Transfer Agent:

MCS Share Transfer Agent Limited
(Unit: Birla Tyres Limited)
383, Lake Gardens, 1st Floor, Kolkata-700 045
Phone Nos.: +91 33 40724051 to 52
Fax No.: +91 33 40724050
E-mail: mcssta@rediffmail.com

(b) For Redressal of Complaints and Grievances:

The Company Secretary
Birla Tyres Limited
8th Floor, Birla Building
9/1 R. N. Mukherjee Road, Kolkata-700 001.
Telephone Nos. : +91 33 22624354
Fax No. : +91 3322624359
E-mail: cs@birlatyre.com

19. CREDIT RATING OF THE COMPANY

There was no Credit Rating obtained during the Financial Year 2019-20.

20. CERTIFICATE FROM CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

A Certificate has been issued by the CEO and CFO as required under Regulation 17(8) of the LODR Regulations.

21. CERTIFICATES FROM A PRACTISING COMPANY SECRETARY

- a) The Company has obtained a Certificate from a Practising Company Secretary confirming that it is in compliance with the conditions of Corporate Governance as stipulated in Para C of the Schedule V of the LODR Regulations.
- b) The Company has obtained a Certificate from a Practising Company Secretary confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman

Kaushik Biswas
Director

Registered Office:

9/1 R.N. Mukherjee Road
8th Floor, Birla Building,
Kolkata – 700 001

Date: 31st July, 2020

DECLARATION

All Board Members as on 31st March 2020 and Senior Management Personnel have affirmed their compliance with the “Code of Conduct for Members of the Board and Senior Management” for the period from 1st April, 2019 to 31st March, 2020 in terms of Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Date: 30th July, 2020

For Birla Tyres Limited
Herve Frederic Richert
Chief Executive Officer

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
Birla Tyres Limited

I have examined all relevant records of Birla Tyres Limited (“the Company”) for the purpose of certifying compliance of conditions of Corporate Governance under Para C & D of Schedule V read with Regulation 34(3) of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended on 31st March, 2020. I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Company’s Management. My examination was limited to the procedure and implementation thereof and was carried out in accordance with the guidance note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India. It is neither an audit nor an expression of opinion on the financial statement of the Company. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of my examination of the records produced, explanation and information furnished, I certify that the Company has complied with all the mandatory conditions as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and Para C & D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: Kolkata
Date: 17th July, 2020
UDIN: F002288B000468039

SALIL BANERJEE
FCS 2288 CP 1140

CERTIFICATE FROM THE COMPANY SECRETARY IN PRACTICE AS PER PARA C CLAUSE 10 (i) OF SCHEDULE V OF SEBI (LODR) REGULATIONS, 2015

To,
The Members,
Birla Tyres Limited

I have examined all relevant records including the annual declarations from the directors in Form DIR-8 of Birla Tyres Limited (“the Company”) for the purpose of certifying that none of the directors on the board have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority as per Para C Clause 10(i) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended on 31st March, 2020.

Place: Kolkata
Date: 17th July, 2020
UDIN: F002288B000468041

SALIL BANERJEE
FCS 2288 CP 1140

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
BIRLATYRES LIMITED
9/1, R. N. Mukherjee Road,
Birla Building, 8th Floor,
Kolkata-700001, West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BIRLA TYRES LIMITED (CIN: U25209WB2018PLC228915)** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2020** 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (NOT APPLICABLE AS THE COMPANY DO NOT HAVE ANY EXPOSURE ATTRACTING THE ACT AND RULES, REGULATIONS FRAMED THEREUNDER DURING THE PERIOD UNDER AUDIT)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) 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, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (NOT APPLICABLE TO THE COMPANY DURING THE PERIOD UNDER AUDIT)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (NOT APPLICABLE TO THE COMPANY DURING THE PERIOD UNDER AUDIT)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (NOT APPLICABLE TO THE COMPANY DURING THE PERIOD UNDER AUDIT)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (NOT APPLICABLE TO THE COMPANY DURING THE PERIOD UNDER AUDIT) and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance but mostly Board Meetings were held on 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

I have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditors for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in Annexure I.

I further report that the company has delayed compliance by a period of 13 days with regulation 13(3) of SEBI (LODR) Regulations, 2015 for the quarter ended 31st March, 2020 and due to which a fine has been levied by the exchanges on the company. The Company has requested the exchanges for a waiver as per the provisions of SEBI SOP circular dated 22nd January, 2020.

I also report that on 06th March, 2020 the company has disclosed to the exchanges a default of Rs. 48.16 Crore in payment of interest and repayment of principal amount on loans from banks or financial institutions. The default is still continuing. However, due to CoVID-19 pandemic a moratorium has been granted.

Place: KOLKATA
Date: 17.07.2020
UDIN: F002288B000467984

SALIL BANERJEE
FCS 2288 CP 1140

This report should be read with my letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

The List of Various Applicable Laws to the Company

1. Employees' Provident Fund Act, 1952 and Rules,
2. Payment of Gratuity Act, 1972,
3. Apprentices Act, 1961,
4. Contract Labour (R&A) Act, 1970,
5. Employees State Insurance Act, 1948,
6. Employees Provident Fund & Misc Provision Act, 1952,
7. Minimum Wages Act, 1948,
8. Payment of Bonus Act, 1965,
9. West Bengal Shops and Establishments Act and Rules,
10. The West Bengal State Tax On Professions, Trades, Callings and Employments Act & Rules,
11. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013,
12. Water (Prevention & Control of Pollution) Act, 1974,
13. Water (Prevention & Control of Pollution) Cess Act and Rules,
14. Payment of Wages Act, 1936,
15. The Industrial Employment (Standing Orders) Act, 1946,
16. Finance Act, 1994,
17. The Factories Act, 1948,
18. The Equal Remuneration Act, 1976,
19. Workmen's Compensation Act, 1923 & Rules,
20. The Maternity Benefit Act, 1961 and
21. The Negotiable Instrument Act, 1881
22. Goods and Service Tax (effective from 1st July, 2017)

To,
The Members,
Birla Tyres Limited
9/1, R. N. Mukherjee Road,
Birla Building, 8th Floor,
Kolkata-700001, West Bengal

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whereever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: KOLKATA
Date: 17.07.2020
UDIN: F002288B000467984

SALIL BANERJEE
FCS 2288 CP 1140

ANNEXURE IV

Details as required under Sections 134(3)(q) and 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended, for the year ended 31st March, 2020.

Sl No.	Requirement	Details
(i)	The ratio of the remuneration of each Director to the median of remuneration of employees of the Company for the Financial Year.	Manjushree Khaitan - 0.91:1 Kashi Prasad Khandelwal - 1.82:1 Prabal Kumar Sarkar - 1.82:1 Bharat Damodar Vasani ¹ - N.A. Mangala Radhakrishna Prabhu ² - 0.91:1 Radhakrishnan Padmalochanan - N.A. Kaushik Biswas - N.A. Gautam Ganguli ³ - N.A. Prithiraj Mukherjee ⁴ - N.A.
(ii)	The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in Financial Year**.	Directors : Manjushree Khaitan - N.A. Kashi Prasad Khandelwal - N.A. Prabal Kumar Sarkar - N.A. Kaushik Biswas - N.A. Mangala Radhakrishna Prabhu ² - N.A. Radhakrishnan Padmalochanan - N.A. Bharat Damodar Vasani ¹ - N.A. Gautam Ganguli ³ - N.A. Prithiraj Mukherjee ⁴ - N.A. Key Managerial Person : Herve Frederic Richert ⁵ CEO - N.A. Anirban Moulik ⁶ CFO - N.A. Rajat Arora ⁷ , CS - N.A.
(iii)	The percentage increase in median remuneration of employees in the Financial Year**.	N.A.
(iv)	The number of permanent employees on the rolls of Company.	1925 employees as on 31.03.2020
(v)	a) Average percentile increase already made in salaries of employees other than the managerial personnel in the last Financial Year**	a) N.A.
	b) Its comparison with the percentile increase in the managerial remuneration**	b) N.A.
	c) Justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration*	c) This being the first year of operations after the demerger of tyre business from Kesoram Industries Limited pursuant to Scheme of Arrangement vide NCLT order dated 8th day of November, 2019, increase in remuneration cannot be determined from previous Financial Year.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes

- 1 - Resigned w.e.f. 17.02.2020
- 2 - Resigned w.e.f. 12.03.2020
- 3 - Resigned w.e.f. 25.10.2019
- 4 - Resigned w.e.f. 13.11.2019
- 5 - Appointed as CEO effective 04.12.2019
- 6 - Appointed as CFO effective 29.11.2019
- 7 - Appointed as CS effective 24.12.2019

* This being the first year of operations after the demerger of tyre business from Kesoram Industries Limited pursuant to Scheme of Arrangement vide NCLT order dated 8th day of November, 2019, increase in remuneration cannot be determined from previous Financial Year.

**The remuneration/sitting fees paid to Directors, KMP & Employees was only for part of the year, hence increase in remuneration is not stated and the ratio of the remuneration to median remuneration is not comparable.

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman

Kaushik Biswas
Director

Place: Kolkata

Date: 31st July, 2020

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

1. Steps taken or impact on conservation of energy:

The following measures have been taken by the Business in relation to conservation of energy:

EMS vertical (Energy Management System) continued to enhance Awareness, Reduce Wastages and Enhance Power Generation Efficiency. EMS Vertical had identified various Energy Efficiency Improvement Projects in upgrading Utility Equipments, using Renewable energy for the entire plant and two Colonies and replacing street lamps and shop floor metal halide lights with LED lights.

- I. Energy Improvement Projects:** Following Non-Capex Projects have been completed, Savings potential about ₹ 5.17 Crores/Annum

Sl. No	Project Description	Savings (Lacs/ Year)(₹)
1	Utilization of HP Steam in place of MP Steam in Hot water Plant	88.8
2	Energy saving by switching off Knife heater during machine ideal time by making interlock with control ON in Band Building Machines, Radial and Bias Passenger Tyre Building Machines.	5.6
3	Reduction of Steam Consumption by activation of Pressure Reducing and De-superheating Station (PRDS).	310
4	Reduction of LP & HP compressor running hours by MP air bleed off line modification to LP air at Curing area.	39
5	Reduction of Heat loss by Separation of Condensate recovery system to Tube, VAM, 4-Roll Calender, and steam pipe line headers and recovering condensate to De-Aerator of boiler.	51.78
6	Power saving by reduction of Pressure Set point of Boiler 5 & 6 Feed pump.	14.86

- II. Energy Improvement Programs:** We have replaced 250 nos. HPSV street light lamps with LED lights which have improved lux level at shop floor and also at colony. Units save ₹ 1.07 Lacs per Year and about ₹ 7 Lacs savings per Year.

- III. Awareness Programme:** We have installed 130 nos. new energy meters at workers colony and started monitoring Units consumption per month for all quarters in both the colonies. People consuming more power have been instructed to take care. This has resulted in reduction of 12000 units per month. Savings potential ₹9.36 Lacs/year

- IV. Usage of Renewable Energy:** We explored two options of installing solar panels to generate electricity and used for factory and colony lighting.

Option 1 : Installing Solar Panels on Unit-1 & Unit-5 roofs, covering about 10000 Sq. Mtr with installed capacity of 3MW (considered minimum 4 hrs of generation).

Option 2 : Installing Solar Panels on Unit-1 roofs, covering about 2000 Sq. Mtr with installed capacity of 0.3MW (considered minimum 4 hrs of generation).

The project is under final stage of discussion and negotiation. Plant management team had proposed to proceed with option 1 which covers installation of Solar Panels on New PCR building area which is easier to maintain and having saving potential of ₹ 30 Lacs/Annum.

2 Capital investment on energy conservation projects:

Team have identified about 17 energy conservation projects which needs capex support, potential savings about ₹10.03 Crores per year with an investment of ₹ 7.07 Crores, the details have attached for the reference.

B. TECHNOLOGY ABSORPTION:

i) Efforts made towards technology absorption

Tubeless Low Aspect ratio Truck Bus Radial (TBR) Tyre 295/80R22.5, 295/70R22.5, 315/80R22.5 and 315/70R22.5 were developed for Export market. Super Single TBR Tyre 385/65R22.5 and 385/55R22.5 were designed for European Prime mover vehicle. Low rolling resistant high wet grip REACH compliance and European Union (EU) Tyre Label compliance Passenger Car Radial Silica tread was developed by R&D centre.

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

Re-engineering of Tyre Construction of 10.00-20 BT339, Road Miler and Ultra Miler to reduce tyre weight and cost and improve productivity and performance. Modification of tyre construction and profile was done in 10.00-20 XPL LG for super heavy load application with reduced weight. LCV tyre structure was strengthened to carry more loads and to increase tyre life. Synthetic rubber percentage was increase in rubber compound to reduce compound cost as well as to improve performance. High mileage Truck Bus Bias (TBB) drive and steer tyre tread was developed by R&D to increase tyre life.

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

(a) Details of technology imported

No technology was imported during the last three years by the Company.

(b) Year of import

Not applicable.

(c) Whether the technology has been fully absorbed

Not applicable.

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof

Not applicable.

iv) Expenditure incurred on Research & Development:

No CAPEX expenditure was made this year

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

₹/Crores

Particulars	2019 - 20	2018-19
Foreign exchange earned	56.22	-
Foreign exchange outflow	36.02	-

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman

Kaushik Biswas
Director

Place: Kolkata

Date: 31st July, 2020

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

(i)	CIN	U25209WB2018PLC228915
(ii)	Registration Date	22 nd November, 2018
(iii)	Name of the Company	Birla Tyres Limited
(iv)	Category/Sub-Category of the Company	Public Company
(v)	Address of the Registered Office and contact details	9/1 R. N. Mukherjee Road, 8 th Floor, Birla Building, Kolkata - 700001, West Bengal. Phone: (033) 2262 4354 Fax: (033) 22624359 E-mail: corporate@birlatyre.com Website: www.birlatyre.com
(vi)	Whether listed company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited 383, Lake Gardens, 1st Floor, Kolkata-700045 Phone: +91 33 4072 4051 / 52 Fax: +91 33 40724050 E-mail: mcssta@rediffmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl.No.	Name and Description of Main products/services	NIC Code of the Product/Service	% total turnover of the company
1	Tyres	22111	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Not Applicable				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Share holders	No. of Shares held as on 1 st April 2019				No. of Shares held as on 31 st March 2020				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	10000	10000	100	1247331	-	1247331	0.87	(-) 99.13
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	74514009	-	74514009	52.26	52.26
e) Banks/Fls	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	-	10000	10000	100	75761340	-	75761340	53.13	(-) 46.87
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Others-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fls	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	-	10000	10000	100	75761340	-	75761340	53.13	(-) 46.87
B. Public Shareholding									
1. Institution									
a) Mutual Funds	-	-	-	-	1090	11230	12320	0.01	0.01
b) Banks/Fls	-	-	-	-	167508	15386	182894	0.13	0.13
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	5033887	200	5034087	3.53	3.53
g) Fls	-	-	-	-	107853	6700	114553	0.08	0.08
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	5310338	33516	5343854	3.75	3.75

Category of Share holders	No. of Shares held as on 1 st April 2019				No. of Shares held as on 31 st March 2020				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	13119605	18863	13138468	9.21	9.21
ii) Overseas	-	-	-	-	3741945	-	3741945	2.62	2.62
iii) NBFCs registered with RBI	-	-	-	-	167280	-	167280	0.12	0.12
iv) Central govt/State Govt(s) POI/IEPF Authority	-	-	-	-	340251	-	340251	0.24	0.24
b) Individuals									
i) Individuals shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	22177392	827421	23004813	16.13	16.13
ii) Individuals shareholders holding nominal share capital excess of ₹1 lakh	-	-	-	-	13120960	24822	13145782	9.22	9.22
c) Others (specify)									
i) NRI	-	-	-	-	869017	5574	874591	0.61	0.61
ii) Enemy Property	-	-	-	-	-	1296	1296	0.00	0.00
iii) Trust	-	-	-	-	3579	-	3579	0.00	0.00
iv) Unclaimed Suspense A/c	-	-	-	-	-	5	5	0.00	0.00
v) Co-operative Society	-	-	-	-	25000	-	25000	0.02	0.02
Sub-total (B)(2):-	-	-	-	-	53565034	859113	54443010	38.18	38.18
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	58875372	877976	59786864	41.93	41.93
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	7041875	-	7041875	4.94	4.94
Grand Total (A+B+C)	-	10000	10000	100	141678582	911497	142590079	100	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding as on 1 st April, 2019			Shareholding as on 31 st March, 2020			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to total shares	
1	Basant Kumar Birla*	-	-	-	402496	0.28	-	0.28
2	Rajashree Birla	-	-	-	3250	0.00	-	0.00
3	Kumar Mangalam Birla	-	-	-	300	0.00	-	0.00
4	Vasavadatta Bajaj	-	-	-	5750	0.00	-	0.00
5	Manjushree Khaitan	-	-	-	720158	0.51	-	0.51
6	Vidula Jalan	-	-	-	115377	0.08	-	0.08
7	Manav Investment & Trading Company Ltd.	-	-	-	33959679	23.82	23.82	23.82
8	Aditya Marketing & Manufacturing Pvt. Ltd.	-	-	-	2449111	1.72	-	1.72
9	B.K. Birla Foundation	-	-	-	7012	0.00	-	0.00
10	Birla Education Trust	-	-	-	954171	0.67	-	0.67
11	Prakash Educational Society	-	-	-	910922	0.64	-	0.64
12	Birla Educational Institution	-	-	-	362643	0.25	-	0.25
13	Birla Institute of Technology & Science	-	-	-	1515806	1.06	-	1.06
14	Century Textiles & Industries Ltd.	-	-	-	5116800	3.59	-	3.59
15	Pilani Investment And Industries Corporation Ltd.	-	-	-	27338750	19.17	-	19.17
16	Padmavati Investment Ltd.	-	-	-	1899115	1.33	-	1.33
17	Uma Shankar Asopa	1400	14.00	-	-	-	-	(-) 14.00
18	Sanjay Kumar Sinha	1400	14.00	-	-	-	-	(-) 14.00
19	Chandramauli Balan	1400	14.00	-	-	-	-	(-) 14.00
20	Ganesh Mondal	1400	14.00	-	-	-	-	(-) 14.00
21	Gautam Ganguli	1600	16.00	-	-	-	-	(-) 16.00
22	Prithiraj Mukherjee	1400	14.00	-	-	-	-	(-) 14.00
23	Radhakrishnan Padmalochanan	1400	14.00	-	-	-	-	(-) 14.00
	Total	10000	100	-	75761340	53.13	23.82	(-) 46.87

* deceased on 03.07.19

(iii) Change in Promoters' Shareholding in the Financial Year 2019-20:

Sl. No.	Name of Promoter	Shareholding as on 1 st April, 2019		Shareholding as on 31 st March, 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Basant Kumar Birla*				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	402496	0.28
	At the end of the year	-	-	402496	0.28
2	Rajashree Birla				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	3250	0.00
	At the end of the year	-	-	3250	0.00
3	Kumar Mangalam Birla				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	300	0.00
	At the end of the year	-	-	300	0.00
4	Vasavadatta Bajaj				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	5750	0.00
	At the end of the year	-	-	5750	0.00
5	Manjushree Khaitan				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	720158	0.51
	At the end of the year	-	-	720158	0.51

* deceased on 03.07.19

Sl. No.	Name of Promoter	Shareholding as on 1 st April, 2019		Shareholding as on 31 st March, 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	Vidula Jalan				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	115377	0.08
	At the end of the year	-	-	115377	0.08
7	Manav Investment & Trading Company Ltd.				
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL			33959679	23.82
	At the end of the year			33959679	23.82
8	Aditya Marketing & Manufacturing Pvt. Ltd.				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	2449111	1.72
	At the end of the year	-	-	2449111	1.72
9	B.K. Birla Foundation				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	7012	0.00
	At the end of the year	-	-	7012	0.00
10	Birla Education Trust				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	954171	0.67
	At the end of the year	-	-	954171	0.67

Sl. No.	Name of Promoter	Shareholding as on 1 st April, 2019		Shareholding as on 31 st March, 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11	Prakash Educational Society				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	910922	0.64
	At the end of the year	-	-	910922	0.64
12	Birla Educational Institution				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	362643	0.25
	At the end of the year	-	-	362643	0.25
13	Birla Institute of Technology & Science				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	1515806	1.06
	At the end of the year	-	-	1515806	1.06
14	Century Textiles & Industries Ltd.				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	5116800	3.59
	At the end of the year	-	-	5116800	3.59
15	Pilani Investment And Industries Corporation Ltd.				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	27338750	19.17
	At the end of the year	-	-	27338750	19.17

Sl. No.	Name of Promoter	Shareholding as on 1 st April, 2019		Shareholding as on 31 st March, 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
16	Padmavati Investment Ltd.				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Allotment on 27.12.2019 pursuant to Scheme of Arrangement with KIL	-	-	1899115	1.33
	At the end of the year	-	-	1899115	1.33
17	Uma Shankar Asopa				
	At the beginning of the year	1400	14.00	1400	14.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Cancellation pursuant to Scheme of Arrangement with KIL on 27.12.2019	-	-	(1400)	(14.00)
	At the end of the year	1400	14.00	-	-
18	Sanjay Kumar Sinha				
	At the beginning of the year	1400	14.00	1400	14.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Cancellation pursuant to Scheme of Arrangement with KIL on 27.12.2019	-	-	(1400)	(14.00)
	At the end of the year	1400	14.00	-	-
19	Chandramauli Balan				
	At the beginning of the year	1400	14.00	1400	14.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Cancellation pursuant to Scheme of Arrangement with KIL on 27.12.2019	-	-	(1400)	(14.00)
	At the end of the year	1400	14.00	-	-
20	Ganesh Mondal				
	At the beginning of the year	1400	14.00	1400	14.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Cancellation pursuant to Scheme of Arrangement with KIL on 27.12.2019	-	-	(1400)	(14.00)
	At the end of the year	1400	14.00	-	-

Sl. No.	Name of Promoter	Shareholding as on 1 st April, 2019		Shareholding as on 31 st March, 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
21	Gautam Ganguli				
	At the beginning of the year	1600	16.00	1600	16.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Cancellation pursuant to Scheme of Arrangement with KIL on 27.12.2019	-	-	(1600)	(16.00)
	At the end of the year	1600	16.00	-	-
22	Prithiraj Mukherjee				
	At the beginning of the year	1400	14.00	1400	14.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Cancellation pursuant to Scheme of Arrangement with KIL on 27.12.2019	-	-	(1400)	(14.00)
	At the end of the year	1400	14.00	-	-
23	Radhakrishnan Padmalochanan				
	At the beginning of the year	1400	14.00	1400	14.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): Cancellation pursuant to Scheme of Arrangement with KIL on 27.12.2019	-	-	(1400)	(14.00)
	At the end of the year	1400	14.00	-	-

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of Shareholder	Shareholding as on 1 st April 2019		Shareholding as on 31 st March, 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Euston Industries Ltd.	-	-	7165325	5.03
2	Life Insurance Corporation of India	-	-	3716952	2.61
3	Devi Investment and Development Inc.	-	-	3441945	2.41
4	Hardik Bharat Patel	-	-	2516600	1.77
5	Minal Bharat Patel	-	-	1582648	1.11
6	Century Enka Limited	-	-	1403985	0.99
7	Life Insurance Corporation of India P & GS Fund	-	-	1266865	0.89
8	Viral Amal Parikh	-	-	807764	0.57
9	Kajal Synthetics and Silk Mills Ltd.	-	-	550000	0.39
10	Nirmalbang Securities Pvt. Ltd.	-	-	512825	0.36
	Total	-	-	22964909	16.11

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of Shareholder	Shareholding as on 1 st April 2019		Shareholding as on 31 st March, 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Manjushree Khaitan	-	-	720158	0.51
2	Gautam Ganguli	1600	16.00	-	-
3	Prithiraj Mukherjee	1400	14.00	-	-
4	Radhakrishnan Padmalochanan	1400	14.00	-	-
	Total	4400	44.00	720158	0.51

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness ₹/Crores
Indebtedness at the beginning of the financial year (1st April 2019)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-
Change in Indebtedness during the financial year				
Transferred from KIL ¹ during the year ²	994.45	-	160.82	1155.27
Addition during the year	0.00	-	18.45	18.45
Reduction during the year	(111.88)	-	(28.63)	(140.51)
Net Change	882.57	-	150.64	1033.21
Indebtedness at the end of the financial year (31st March, 2020)				
i) Principal Amount	878.53	-	150.64	1029.95
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	18.51	-	0.00	18.51
Total (i + ii + iii)	897.04	-	150.64	1047.68

¹ KIL – Abbreviation for Kesoram Industries Limited

² Pursuant to Scheme of Arrangement with Kesoram Industries Limited vide NCLT order dated 8th day of November, 2019

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount (₹)
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income Tax Act 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission				
	- as% of profit	Nil	Nil	Nil	Nil
	- others	Nil	Nil	Nil	Nil
5.	Others				
	- Provident Fund	Nil	Nil	Nil	Nil
	- Super annuation Fund	Nil	Nil	Nil	Nil
	Total (A)	Nil	Nil	Nil	Nil
	Ceiling as per Act	N.A.			

B. Remuneration to other directors:

I. Independent Directors

Particulars of Remuneration	Name of Directors				Total Amount (₹)
	Kashi Prasad Khandelwal	Prabal Kumar Sarkar	Mangala Radhakrishna Prabhu	Bharat Damodar Vasani	
Fees for attending Board & Committee Meetings	2,00,000	2,00,000	1,00,000	Nil	5,00,000
Commission	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil
Total (1)	2,00,000	2,00,000	1,00,000	Nil	5,00,000

II. Other Non-Executive Directors

Particulars of Remuneration	Name of Directors			Total Amount (₹)
	Manjushree Khaitan	Kaushik Biswas	Radhakrishnan Padmalochanan	
Fees for attending Board & Committee Meetings	1,00,000	Nil	Nil	1,00,000
Commission	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil
Total (2)	1,00,000	Nil	Nil	1,00,000
Total B = (1) + (2)				6,00,000
Ceiling as per Act	Remuneration is within limits of provisions of law*			

*Overall Ceiling as per the Companies Act, 2013 for sitting fees is ₹ 1,00,000 (Rupees One Lakh only) per Board/ Committee Meeting thereof

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (₹)
		Chief Executive Officer* Herve Frederic Richert	Chief Financial Officer# Anirban Moulik	Company Secretary\$ Rajat Arora	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,38,50,032	12,94,814	1,50,863	1,52,95,709
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission				
	- as % of profit	Nil	Nil	Nil	Nil
	- others				
5.	Others				
	- PF	Nil	53,586	6,894	60,480
	Total	1,38,50,032	13,48,400	1,57,757	1,53,56,189

* appointed w.e.f. 04.12.2019

appointed w.e.f. 29.11.2019

\$ appointed w.e.f. 24.12.2019

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

TYPE	SECTION OF COMPANIES ACT	BRIEF DESCRIPTION	DETAILS OF PENALTY/ PUNISHMENT/ COMPOUNDING FEES IMPOSED	AUTHORITY [RD/NCLT/ COURT]	APPEAL MADE, IF ANY
A. COMPANY					
PENALTY			Nil		
PUNISHMENT					
COMPOUNDING					
B. DIRECTORS					
PENALTY			Nil		
PUNISHMENT					
COMPOUNDING					
C. OTHER OFFICERS IN DEFAULT					
PENALTY			Nil		
PUNISHMENT					
COMPOUNDING					

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman

Kaushik Biswas
Director

Place: Kolkata

Date: 31st July, 2020

INDEPENDENT AUDITOR'S REPORT

To The Members of BIRLA TYRES LIMITED
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **BIRLA TYRES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Material uncertainty related to Going Concern

We draw attention to Note 40 to the financial statements regarding preparation of the financial statements of the Company on a going concern. The Company has incurred losses during the year and the networth has been fully eroded. The net current liabilities are ₹ 854.43 Crore as at March 31, 2020. These conditions, along with other matters as set forth in Note 40, indicate existence of material uncertainty, which may cast significant doubts about the Company's ability to continue as a going concern and consequently, the ability of the Company to realise its assets and discharge its liabilities in the normal course of business. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note 39 to the financial statements, which state that the external borrowings from banks of ₹ 897.04 Crore as disclosed in Note 13 is transferred from Demerged Company in accordance with the NCLT approved scheme and that some of the banks are in the process of splitting the loan as per the NCLT approved scheme. Pending such split of loan, the company has not received any confirmation of outstanding balances as on March 31, 2020.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Tangible property, plant and equipment – Impairment assessment– Note 3 of the Financial Statements.</p> <p>The Company (Tyre Business demerged from Kesoram Industries Limited with effect from January 01, 2019) has been making continuous losses in previous years and in current year due to various internal and external factors. As at 31st March, 2020 the written down value of the fixed assets amounted to ₹ 1,284.69 Crores [this includes ₹ 753.28 Crores for Passenger Car Radial</p>	<p>How the Key Audit Matter Was Addressed in the Audit</p> <p>Our audit procedures included challenging management on the appropriateness and reasonableness of the fair valuation approach and assumptions used for determining the fair value of assets by external experts through performing the following:</p>

<p>Tyres, which is yet to commence commercial operations]. Considering the continuous losses incurred by the Company, the probability of impairment could be dependent on assumptions and methodology used for the fair valuation of the Property, Plant and Equipment by the management appointed external experts.</p> <p>Impairment assessment of the Property, Plant and Equipment is considered as a Key Audit Matter since there is significant management judgements and estimates involved in the impairment assessment, such as:</p> <ul style="list-style-type: none"> • The determination of recoverable amount, being the higher of value-in-use and fair value less costs to dispose. • The methodology used in determination of the fair value of assets by management appointed external experts may be dependent on interpretation of the valuation standards and the assumptions used such as inflation index rates, useful lives, salvage value. 	<ul style="list-style-type: none"> • We obtained an understanding of controls instituted by the management to assess impairment indicators and tested the operation of the management controls over the impairment assessment process and review of fair valuation report obtained from the external experts. • Tested the reasonableness of the fair valuation methodology used and the assumptions made for determining the fair value of the assets using our internal fair valuation specialists. • Reconciled the carrying amount of the assets category wise as per the valuation report provided by the management and as per the books. • Evaluated the adequacy of disclosures in the financial statements with respect to the assumptions and checked whether they were appropriately presented.
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Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the Report of the Directors and the following Annexures thereto (namely Management Discussion and Analysis, Report on Corporate Governance, Annual Report on Corporate Social Responsibility Activities, Form AOC – 1, Conservation of energy, Technology Absorption and Exchange Earnings and Outgo), but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give

a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures,

and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Other Matters

The comparative financial information of the Company for the year ended 31st March, 2019 and the related transition date opening balance sheet as at November 22, 2018 included in these financial statements, have been prepared after adjusting previously issued the financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued financial statements were audited by the predecessor auditor whose report for the year ended 31st March, 2019 dated 28th May, 2019 expressed an unmodified opinion on those financial statements. Adjustments made to the previously issued financial statements to comply with Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) The matter described in the Material uncertainty related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Company.
 - f) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its director during the year is in excess of the limits laid down under section 197 of the Act. Details of remuneration paid in excess of the limit laid down under this section are as given below:

Period	Number of Managerial Personnel	Amount of Excess Remuneration (₹ in Crores)	Treatment in Standalone Financial Statements	Plan to Regularise
2019 - 2020	1	0.30	The amount is debited in Employee Benefit Expenses in the financial statements	The Company will obtain requisite approval in the ensuing Annual General Meeting

- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells,
Chartered Accountants
(Firm's Registration No – 302009E)

Abhijit Bandyopadhyay
Partner
(Membership No – 054785)
UDIN - 20054785AAAACM181

Place: Kolkata
Date: 31st July, 2020

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **BIRLA TYRES LIMITED** (“the Company”) as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate

internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells,
Chartered Accountants
(Firm's Registration No – 302009E)

Abhijit Bandyopadhyay
Partner
(Membership No – 054785)
UDIN - 20054785AAAAACM181

Place: Kolkata
Date: 31st July, 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed, transfer deed, conveyance deed, mutation of title papers and NCLT order approving the Scheme of Arrangement provided to us, we report that, registration of title deeds is in progress in respect of all the immovable properties of land and buildings transferred as a result of Scheme of Arrangement. (Refer Note 39)
- Immovable properties of land and buildings whose title deeds have been pledged as security for loans, guarantees, etc., are held in the name of the demerged company based on the confirmations directly received by us from lenders. The Company is in the process of getting the title deeds transferred in its name.
- (ii) The inventory, except for goods-in-transit and stock lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipts have been verified or confirmations have been obtained from the parties. The discrepancies noticed on verification between the physical stocks and the book records were not material.
 - (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
 - (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and had no unclaimed deposits at the beginning of the year as per the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
 - (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
 - (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities except for Goods and Service tax (including interest thereon).

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Customs Duty cess and other material statutory dues in arrears as at March

31, 2020 for a period of more than six months from the date they became payable except for Goods and Service tax (including interest) the details of which are given below:

Name of the Statute	Nature of Dues	Amount (₹ In Crores)	Period to which the amount relates	Due date	Date of Payment
The Central, State and Integrated Goods and Service Tax Act, 2017	Unpaid amount of goods and service tax	5.21	2018 – 19	Not Applicable	Not paid till date
The Central, State and Integrated Goods and Service Tax Act, 2017	Interest on unpaid amount of goods and service tax	9.41	2018 – 19	Not Applicable	Not paid till date
The Central, State and Integrated Goods and Service Tax Act, 2017	Unpaid amount of goods and service tax	4.37	2019 – 20	Not Applicable	Not paid till date
The Central, State and Integrated Goods and Service Tax Act, 2017	Interest on unpaid amount of goods and service tax	4.46	2019 – 20	Not Applicable	Not paid till date

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period	Net Amount (₹ In Crores)	Amount Deposited (₹ In Crores)
Bihar VAT Act, 2005	Sales Tax	Commercial Tax Officer	2013-14	0.65	-
Central Excise Act, 1944	Central Excise	Assistant Commissioner	1995-96, 1996-97, 2010-11, Apr'98 - May'98, June'98 - Aug'99, 2003 - 04, April - Dec 2006, Jan'93 - Jul'94, Nov'99 - Feb'99	5.61	0.79
Central Excise Act, 1944	Central Excise	CESTAT, Kolkata	2010-11, 2013-15, 2000-02, Apr'15 - Sept'15, Jan'07 - Feb'09, Mar'09 - Mar'10, Feb'03 - Dec'06, Apr'02 - Jan'02, 2004-05, Dec'99 - Jan'99, Sept'97 - Dec'97, Aug'98, Sept'98, Oct'15 - Mar'16, April'11 - Mar'13	97.70	9.37
Central Excise Act, 1944	Central Excise	Commissioner	1997-2002, 2007-08	12.63	-
Central Excise Act, 1944	Central Excise	Commissioner (Appeals)	2005-06, Apr'16 - Jun'17	8.73	0.33
Central Sales Tax Act, 1956	Sales Tax	High Court	2009-10	2.05	-
Central Sales Tax Act, 1956	Sales Tax	High Court & Commissioner	2006-07	0.52	0.61

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period	Net Amount (₹ In Crores)	Amount Deposited (₹ In Crores)
Central Sales Tax Act, 1956	Sales Tax	Sales Tax Tribunal	2002-03, 2004-05, 2007-11	13.30	7.41
Central Sales Tax Act, 1956	Sales Tax	Supreme Court	2003-04	1.83	-
Central Sales Tax Act, 1956	Sales Tax	Commercial Tax Officer	2013-14	0.06	-
Central Sales Tax Act, 1956	Sales Tax	Commissioner (Appeals)	2010-11	0.06	0.01
Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner	2012-15	1.11	0.01
Central Sales Tax Act, 1956	Sales Tax	High Court	2011-12	0.10	0.13
Central Sales Tax Act, 1956	Sales Tax	Revisional Board	2008-09, 2010-11	0.07	-
CST Demanded under Up Trade Act, 1948	Sales Tax	Addition Commissioner (Appeals)	2005-07	0.01	0.00
Customs	Customs	Assistant Commissioner of Customs	Jul'08 - Aug'09	0.02	-
Customs	Customs	CESTAT, Mumbai	2014-15	1.44	1.44
Finance Act, 1994	Service Tax	Commissioner (Appeals)	Apr'10 - Sep'10, Jul'09 - Oct'10	0.03	0.00
Gujarat VAT Act	Sales Tax	Commercial Tax Officer	2013-14	0.58	0.15
Jharkhand Vat Act, 2005	Sales Tax	Commissioner	2010-11, 2012-13	0.73	0.14
Jharkhand Vat Act, 2005	Sales Tax	Joint Commissioner (Appeals)	2013-14	0.09	-
Jharkhand Vat Act, 2005	Sales Tax	Tribunal	2010-11	0.14	-
Kerala VAT Act	Sales Tax	Deputy Commissioner	2011-12	2.14	-
Odisha Value Added Tax Act, 2004	Sales Tax	Deputy Commissioner	Apr'16 - Jun'17	0.49	-
Odisha Value Added Tax Act, 2004	Sales Tax	High Court	2012-14	0.92	-
Odisha Value Added Tax Act, 2004	Sales Tax	Joint Commissioner (Appeals)	Oct'15 - Mar'16	0.26	0.03
Odisha Value Added Tax Act, 2004	Sales Tax	Sales Tax Tribunal	2005-06, 2008-10	5.43	2.71
Rajasthan VAT Act	Sales Tax	Deputy Commissioner	2008-09	0.01	0.01
The Central, State and Integrated Goods and Service Tax Act, 2017	Goods & Service Tax	Additional Commissioner	2016-17 to June'17	11.88	-
Up Trade Tax Act, 1948	Sales Tax	Addition Commissioner (Appeals)	2006-07	0.09	0.02
UP VAT	Sales Tax	Addition Commissioner (Appeals)	2010-12, 2013-14	0.46	0.19
WB VAT Act, 2003	Sales Tax	Revisional Board	2007-11	8.69	-
Grand Total				177.83	23.34

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government except as under. The Company has not issued any debentures.

Particulars	Amount of default as at March 31, 2020* (₹ in Crores)	Period of Default	Nature of Financial Obligation
Dues to Banks:			
State Bank of India	40.00	Jan'20 - Mar'20	Letter of credit
State Bank of India	32.44	March, 2020	Working Capital Loan in excess of Drawing Power
State Bank of India	2.32	March, 2020	Interest on working capital
Punjab National Bank	0.10	Feb'20 - Mar'20	Letter of credit
Punjab National Bank	0.20	March, 2020	Interest on working capital
Axis Bank Limited	7.43	Feb'20 - Mar'20	Interest on term loan
Axis Bank Limited	5.03	March, 2020	Working Capital Loan in excess of Drawing Power
ICICI Bank Limited	0.09	March, 2020	Interest on working capital
South Indian Bank	1.04	March, 2020	Interest on Term Loan
South Indian Bank	0.11	March, 2020	Interest on working capital
Laxmi Vilas Bank	0.29	March, 2020	Interest on term loan
Karur Vyasa Bank	0.29	March, 2020	Interest on term loan
HDFC Bank	4.46	March, 2020	Working Capital Loan in excess of Drawing Power
HDFC Bank	3.30	March, 2020	Letter of credit
Indusind Bank	7.11	March, 2020	Working Capital Loan in excess of Drawing Power
ICICI Bank	10.12	March, 2020	Working Capital Loan in excess of Drawing Power
Laxmi Vilas Bank	10.68	March, 2020	Working Capital Loan in excess of Drawing Power
Yes Bank	0.85	March, 2020	Working Capital Loan in excess of Drawing Power
Punjab National Bank	9.93	March, 2020	Working Capital Loan in excess of Drawing Power
South Indian Bank	9.84	March, 2020	Working Capital Loan in excess of Drawing Power
Dues to Financial Institutions:			
West Bengal Infrastructure Development Finance Corporation	0.43	March, 2020	Interest on term loan
Total	146.06		

* The amount of default has not been repaid subsequently till the date of this audit report.

- (ix) The Company has not raised moneys by way of initial public offer or further public offer. In our opinion and according to the information and explanations given to us, the term loans taken have been applied by the Company during the year for the purposes for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by

its officers or employees has been noticed or reported during the year.

- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in excess of the limits and approvals prescribed under section 197 read with Schedule V to the Companies Act, 2013 to the following personnel:

Managerial Position	Excess amount of remuneration paid/ provided (₹ in Crores)	Financial year ending	Treatment of the excess remuneration in the respective year financial statements	Steps taken by the Company for securing refund
Director	0.30	2019 - 20	The amount is debited in Employee Benefit Expenses in the financial statements	The Company will obtain requisite approvals in the ensuing annual general meeting.

- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares

or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells,
Chartered Accountants
(Firm's Registration No – 302009E)

Abhijit Bandyopadhyay
Partner
(Membership No – 054785)
UDIN - 20054785AAAACM181

Place: Kolkata
Date: 31st July, 2020

Balance Sheet

(All amounts in Rupees crores, unless otherwise stated)

Particulars	Notes	31 st March, 2020	31 st March, 2019	22 nd November, 2018
ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	3	507.97	-	-
(b) Capital work-in-progress		775.44	-	-
(c) Right of use asset	32	8.95	-	-
(d) Other intangible assets	4	0.03	-	-
(e) Financial assets				
(i) Other financial assets	6	5.30	-	-
(f) Other non-current assets	7	66.22	-	-
Total non-current assets		1,363.91	-	-
(2) Current assets				
(a) Inventories	8	76.82	-	-
(b) Financial assets				
(i) Trade receivables	9	115.45	-	-
(ii) Cash and cash equivalents	10	3.16	0.01	-
(iii) Other bank balances	11	16.69	-	-
(iv) Loans	5	0.25	-	-
(v) Other financial assets	6	1.25	-	0.01
(c) Other current assets	7	50.87	-	-
Total current assets		264.49	0.01	0.01
Total assets		1,628.40	0.01	0.01
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	12 (a)	142.59	0.01	0.01
(b) Other equity	12 (b)	(425.66)	(0.01)	-
Total equity		(283.07)	(0.00)	0.01
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	13	619.55	-	-
(ii) Lease liability	32	6.22	-	-
(iii) Other financial liabilities	14	150.64	-	-
(b) Provisions	15	16.14	-	-
Total non-current liabilities		792.55	-	-
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	13	235.98	-	-
(ii) Lease Liability	32	3.46	-	-
(iii) Trade payables	17			
Total outstanding dues of micro enterprises and small enterprises		5.80	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		267.26	-	-
(iv) Other financial liabilities	14	472.60	-	-
(b) Provisions	15	63.65	-	-
(c) Other current liabilities	17	70.17	0.01	-
Total current liabilities		1,118.92	0.01	-
Total liabilities		1,911.47	0.01	-
Total equity and liabilities		1,628.40	0.01	0.01
Notes forming part of the Financial Statements	1 - 43			

In terms of our report attached

For and on behalf of the Board of Directors

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.302009E)

Manjushree Khaitan
Chairman

Abhijit Bandyopadhyay
Partner

Herve Frederic Richert
Chief Executive Officer

Kaushik Biswas
Director

Place: Kolkata
Date : 31st July, 2020

Rajat Arora
Company Secretary

Anirban Moulik
Chief Financial Officer

Statement of Profit and Loss

(All amounts in Rupees crores, unless otherwise stated)

Particulars		Note No.	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
I	Revenue from operations	19	471.70	-
II	Other income	20	66.76	-
III	Total Income (I+II)		538.46	-
IV	Expenses:			
	(a) Cost of materials consumed	21	253.78	-
	(b) Purchases of stock-in-trade		25.46	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	38.50	-
	(d) Employee benefit expense	23	121.50	-
	(e) Depreciation and amortisation expense	24	38.06	-
	(f) Finance costs	25	151.74	-
	(g) Other expenses	26	196.09	0.01
	Total Expenses		825.13	0.01
V	Loss before exceptional items and tax (III-IV)		(286.67)	(0.01)
VI	Tax expense:			
	(1) Current tax charge / (credit)		-	-
	(2) Deferred tax charge / (credit)		-	-
	Total tax expense		-	-
VII	Loss for the period (V-VI)		(286.67)	(0.01)
VIII	Other Comprehensive Income			
	Items that will not be reclassified to Profit or Loss			
	Remeasurement of post-employment benefit plans		(2.32)	-
	Income tax relating to items that will not be reclassified to the statement of Profit and Loss		-	-
	Total other comprehensive income		(2.32)	-
IX	Total comprehensive loss for the year (VII+VIII)		(288.99)	(0.01)
X	Earnings per share	28		
	Basic (₹)		(20.11)	(11.08)
	Diluted (₹)		(20.11)	(11.08)
	Notes forming part of the Financial Statements	1 - 43		

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.302009E)

Abhijit Bandyopadhyay
Partner

Place: Kolkata

Date : 31st July, 2020

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman

Herve Frederic Richert
Chief Executive Officer

Rajat Arora
Company Secretary

Kaushik Biswas
Director

Anirban Moulik
Chief Financial Officer

Statement of Cashflow

(All amounts in Rupees crores, unless otherwise stated)

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
A. Cash flow from Operating Activities		
Net Loss before tax	(286.67)	(0.01)
Adjustments for:		
Depreciation and amortisation	38.06	-
Provision for bad and doubtful debts charged / (written back)	22.47	-
Provision for warranty	6.73	-
Finance costs	151.74	-
Loss on sale of property, plant and equipment (net)	0.93	-
Liabilities/Provision no longer required written back	(17.55)	-
Interest income	(1.77)	-
Operating loss before working capital changes	(86.06)	(0.01)
Changes in Working Capital:		
Increase / (decrease) in Non-Current / Current financial and other liabilities/ provisions	165.97	0.01
(Increase) / decrease in Non-Current / Current financial and other assets	64.13	-
(Increase) / decrease in inventories	71.37	-
Cash Generated from Operations	215.41	(0.00)
Direct Taxes paid (net of refunds)	-	-
Net cash generated from operating activities	215.41	(0.00)
B. Cash flow from Investing Activities:		
Purchase of property, plant and equipment/capital advance given	(2.48)	-
Proceeds from sale of property, plant and equipment	7.04	-
Interest received	1.77	-
Proceeds from Bank Deposit	6.53	-
Net cash generated from investing activities	12.86	-
C. Cash flow from Financing Activities		
Issue Of Share Capital	-	0.01
Finance cost paid	(132.96)	-
Payment of Lease obligations	(4.74)	-
Proceed (net) from:		
- Short term borrowings	72.94	-
Repayment of:		
- Long term borrowings	(70.73)	-
Net cash (used in) / generated from financing activities	(135.49)	0.01

Statement of Cashflow (contd.)

(All amounts in Rupees crores, unless otherwise stated)

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Net increase in cash and cash equivalents	92.78	0.01
Cash and cash equivalents at the beginning of the year	0.01	-
Cash and cash equivalents acquired pursuant to the Scheme of Arrangement (Refer Note 39)	(204.29)	-
Less: Cash credits at the beginning of the year	-	-
Less: Cash credits transferred pursuant to the Scheme of Arrangement (Refer Note 39)	(213.27)	-
Adjusted cash & cash equivalents at the beginning of the year	(417.55)	-
Cash & cash equivalents at the end of the year	(324.77)	0.01

Particulars	31 st March, 2020	31 st March, 2019
Cash and Cash Equivalents comprise:		
Cash on hand	0.04	-
Cheques on hand	0.10	-
Balances with banks on current account	3.02	0.01
Deposit with Original Maturity for less than three months	-	-
Cash credits at the end of the year	(114.66)	-
	(111.50)	0.01

Notes:

- The above cash flow statement has been prepared under the Indirect Method as set out in Ind AS - 7 "Statement of Cash Flows".

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.302009E)

Abhijit Bandyopadhyay
Partner

Place: Kolkata

Date : 31st July, 2020

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman

Kaushik Biswas
Director

Herve Frederic Richert
Chief Executive Officer

Rajat Arora
Company Secretary

Anirban Moulik
Chief Financial Officer

Statement of Changes in Equity

(All amounts in Rupees crores, unless otherwise stated)

A. Equity share capital

Particulars	Notes	Amount
As at 22 nd November, 2018	12 (a)	-
Issued during the period		0.01
As at 31 st March, 2019	12 (a)	0.01
Less: Shares cancelled pursuant to Scheme of Arrangement (Refer Note 39)		(0.01)
Add: Shares issued pursuant to Scheme of Arrangement (Refer Note 39)		142.59
As at 31st March, 2020	12 (a)	142.59

B. Other equity

Particulars	Notes	Retained earnings
As on 1 st April, 2019	12 (c)	(0.01)
Created pursuant to the Scheme of Arrangement (Refer Note 39)		(60.86)
Loss for the period 1 st January, 2019 to 31 st March, 2019 transferred pursuant to the Scheme of Arrangement (Refer Note 39)		(75.80)
Loss for the period		(286.67)
Other comprehensive income [net of tax]		(2.32)
Balance as at 31st March, 2020		(425.65)

Particulars	Notes	Retained earnings
As on 22 nd November, 2018	12 (c)	-
Loss for the period		(0.01)
Other comprehensive loss [net of tax]		-
Balance as at 31st March, 2019		(0.01)

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.302009E)

Abhijit Bandyopadhyay
Partner

Place: Kolkata

Date : 31st July, 2020

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman

Kaushik Biswas
Director

Herve Frederic Richert
Chief Executive Officer

Rajat Arora
Company Secretary

Anirban Moulik
Chief Financial Officer

Notes to Financial Statements for the period ended 31st March, 2020

1. Company Information

Birla Tyres Limited (the Company) is a public company limited by shares domiciled in India and incorporated on 22nd November, 2018 under the provisions of Companies Act, 2013. The Core businesses of the company are manufacturing and trading of tyres. The Company markets its automobile tyres under the brand name "Birla Tyres".

The financial statements as at 31st March, 2020 present the financial position of the Company.

The financial statements for the year ended 31st March, 2020 were approved by the Board of Directors and authorised for issue on 31st July, 2020.

1.1 Composite Scheme of Arrangement

The Board of Directors of the Birla Tyres Limited ("the Company") at its meeting held on 4th December, 2018 had approved the Scheme of Arrangement amongst Kesoram Industries Limited ("KIL" / "Demerged Company"), Birla Tyres Limited ("BTL" / "Resulting Company") and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") which inter-alia, envisages the demerger of the Tyre Business Undertaking ("Demerged Undertaking") (as defined in the Scheme) of the Demerged Company into Resulting Company.

The Appointed Date for the amalgamation of Tyre Business with the Company is January 01, 2019. The shareholders of the Company have approved the Scheme on 6th August, 2019. The National Company Law Tribunal Bench at Kolkata (Tribunal) has approved the aforementioned Scheme on 8th November, 2019 under the applicable provisions of the Companies Act, 2013. Certified copy of the said order of the Tribunal was received by the "Company" on 3rd December, 2019 and filed with the Registrar of Companies on 4th December, 2019.

On the record date each shareholder of the Demerged Company will be entitled to additional 1 fully paid up equity share of ₹ 10 each in BTL for every 1 share held in the KIL for the demerger of Tyre Business Undertaking.

In accordance with the said Scheme of Arrangement, on the effective date:

- a) The resulting company will record the transferred assets and liabilities of Tyre Business Undertaking at the values as appearing in the books of the Demerged Company pertaining to Tyre business Undertaking, prepared in accordance with the provisions of Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 with effect from January 01, 2019 the appointed date.
- b) The resulting Company will issue shares to the shareholders of the Demerged Company as stated above and these shares will be issued and recorded at face value and in the books of Resulting Company.
- c) The difference, i.e. the excess or shortfall, as the case may be, of the value of the assets and liabilities pertaining to the Demerged Undertaking and received from the Demerged Company pursuant to the Scheme after taking into account the face value of the shares issued by Resulting Company will be credited or debited to the reserves of the Resulting Company. (Refer Note 39)

2. Summary of significant accounting policies

2.1 Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

(ii) Historical cost convention

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Notes to Financial Statements for the period ended 31st March, 2020

2.2 Property, plant and equipment

- Property, plant and equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase cost, borrowing costs if capitalisation criteria are met and other directly attributable cost of bringing the assets to its working condition for intended use. The cost also comprises of exchange differences arising on translation /settlement of long term foreign currency monetary items pertaining to acquisition of such depreciable assets. Any trade discounts and rebates are deducted in arriving at the purchase price.
- Subsequent expenditure related to an item of property, plant and equipment is added to its carrying amount only if it increases the future benefits from the existing assets beyond its previously assessed standard of performance.
- Capital work in progress is stated at cost, [including borrowing cost, where applicable and adjustment for exchange difference referred to in Note 2.14 below] incurred during construction/installation period relating to items or projects in progress.
- Losses arising from the retirement of and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of profit and loss.
- Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Class of assets	Estimated useful life (in years)
Buildings	5-60 years
Plant and Equipment	1-40 Years
Furniture and Fixtures	1-16 Years
Office Equipment	1-20 years
Vehicles	8-10 Years

2.3 Intangible assets

Intangible property, plant and equipment are capitalised where it is expected to provide future enduring economic benefits and amortised on a straight line basis. Capitalisation costs include license fees and the cost of implementation/ system integration services. The Costs are capitalised in the year in which the relevant intangible asset is implemented for use.

Class of assets	Estimated useful life (in years)
Software	3 Years

2.4 Impairment

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.5 Lease

The Company has applied Ind AS 116 using the Simplified Modified approach and therefore comparative information has not been restated and is presented under Ind AS 17.

Notes to Financial Statements for the period ended 31st March, 2020

The Company as a lessee-

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

2.6 Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined on weighted average / first-in, first-out (FIFO) basis, as considered appropriate by the Company. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Provision is made for obsolete/slow moving/defective stocks, wherever necessary.

2.7 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(a) Financial assets

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Notes to Financial Statements for the period ended 31st March, 2020

Other bank balances

Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at 'Fair value through other comprehensive income' (FVOCI) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at 'Fair value through the statement of profit and loss' (FVPL).

Impairment of financial assets

The Company assesses on a forward looking basis the 'Expected credit losses' (ECL) associated with its assets carried at amortised cost and FVOCI debt instruments. The Company recognises loss allowance for expected credit losses on financial asset.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

Notes to Financial Statements for the period ended 31st March, 2020**De-recognition of financial liabilities**

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.8 Employee Benefits**Defined contribution plans**

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined benefit plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

Compensated absences

Accumulated compensated absences which are expected to be availed or encashed within twelve months from the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlements as at the year end.

Accumulated compensated absences which are expected to be availed or encashed beyond twelve months from the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial loss/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Short-term Employee Benefits (i.e. benefits payable within one year) are recognised in the period in which employee services are rendered.

2.9 Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Notes to Financial Statements for the period ended 31st March, 2020

2.10 Provision and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Provision for warranty

The estimated liability for warranty is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidence based on corrective actions on product failure. The timing of outflows will vary as and when the obligation will arise - being typically up to five years.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.11 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

2.12 Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and

Notes to Financial Statements for the period ended 31st March, 2020

liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

2.13 Revenue Recognition

The Company derives revenues primarily from sale of Tyres.

Revenue shall be recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

(a) Sales of goods

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations may be satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due, which are otherwise recorded as contract assets.

(b) Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

(c) Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

(d) Rental income

Rental income from investment properties and subletting of properties is recognised on a time proportion basis over the term of the relevant leases.

(e) Warranty obligations

The Company generally provides for warranties which are assurance-type warranties under Ind AS 115, and are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

(f) Unfulfilled performance obligations

The Company provides certain benefits to customers for purchasing products from the Company. These provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide such benefits to the customer is a separate performance obligation. The transaction price is allocated to the product and the benefit to be provided on a relative stand-alone selling price basis. Management estimates the stand-alone selling price per point on the basis of the on the basis of providing cost of such benefits. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidence. To the extent these benefits are not settled/dispensed till the end of a reporting period these are recorded.

A contract liability is recognised until the benefit is provided.

2.14 Borrowing Costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest

Notes to Financial Statements for the period ended 31st March, 2020

cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Premium in the form of fees paid on refinancing of loans are accounted for as an expense over the life of the loan using effective interest rate method. All other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

2.15 Foreign currency transactions and translations

(a) Functional and presentation currency

The financial statements of the Company are presented in Indian rupees (INR), which is the functional currency of the Company and the presentation currency for the financial statements.

(b) Transactions and balances

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end exchange rates. Gains/losses arising out of fluctuations in the exchange rates are recognised in the statement of profit and loss in the period in which they arise.

2.16 Research and Development Expenditure

Revenue Expenditure on Research and Development is charged to the Statement of Profit and Loss in the year in which it is incurred and Capital Expenditure relating to Research and Development are included in property, plant and equipment.

2.17 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

2.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors has been identified as the chief operating decision maker. Refer Note 37 for segment information presented.

2.19 Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Note 3: Property, plant and equipment

Particulars	GROSS BLOCK - AT COST					DEPRECIATION					NET BLOCK As at 31 st March, 2020
	As at 1 st April, 2019	Transferred pursuant to the Scheme of Arrangement (Note 39)	Additions during the period	Deletion / Adjust-ment during the period	As at 31 st March, 2020	Upto 1 st April, 2019	Transferred pursuant to the Scheme of Arrangement (Note 39)	Provided during the period	Deletion during the period	Upto 31 st March, 2020	
Land :											
- Freehold	-	256.65	-	(3.55)	253.10	-	-	-	-	-	253.10
Buildings	-	142.12	-	(5.15)	136.97	-	35.25	9.27	(0.74)	43.78	93.19
Plant and Equipments	-	257.86	0.01	-	257.87	-	74.63	23.99	-	98.62	159.25
Furniture and Fixtures	-	2.60	0.19	-	2.79	-	1.05	0.36	-	1.41	1.38
Office Equipment	-	2.58	-	(0.02)	2.56	-	1.80	0.09	(0.01)	1.88	0.68
Vehicles	-	1.35	-	-	1.35	-	0.72	0.26	-	0.98	0.37
Total	-	663.16	0.20	(8.72)	654.64	-	113.45	33.97	(0.75)	146.67	507.97

Particulars	GROSS BLOCK - AT COST					DEPRECIATION					NET BLOCK As at 31 st March, 2019
	As at 22 nd No- vember, 2018	Transferred pursuant to the Scheme of Arrangement (Note 39)	Additions during the period	Deletion during the period	As at 31 st March, 2019	Upto 22 nd No- vember, 2018	Transferred pursuant to the Scheme of Arrangement (Note 39)	Provided during the period	Deletion during the period	Upto 31 st March, 2019	
Land :											
- Freehold	-	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-
Plant and Equipments	-	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

(i) Refer Note 13 for Property, plant and equipment pledged as security.

(ii) Contractual obligations

Refer to Note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iii) The above balance includes-

Particulars	31 st March, 2020
Cost of assets lying with third parties - plant & equipments	11.50

(iv) The Company is in the process of getting all the above properties registered / transferred in its name pursuant to the Scheme of Arrangement (Refer Note 39).

(v) 'Deletion / Adjustment during the period' includes an amount of ₹ 7.96 crores (net) of Land and Building which has been transferred to Kesoram Industries Limited post demerger.

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Note 4 : Intangible Assets

Particulars	GROSS BLOCK - AT COST					DEPRECIATION					NET BLOCK As at 31 st March, 2020
	As at 1 st April, 2019	Transferred pursuant to the Scheme of Arrangement (Note 39)	Additions during the period	Deletion / Adjust-ment during the period	As at 31 st March, 2020	Upto 1 st April, 2019	Transferred pursuant to the Scheme of Arrangement (Note 39)	Provided during the period	Deletion during the period	Upto 31 st March, 2020	
Software	-	0.30	-	-	0.30	-	0.27	-	-	0.27	0.03
	-	0.30	-	-	0.30	-	0.27	-	-	0.27	0.03

Particulars	GROSS BLOCK - AT COST					DEPRECIATION					NET BLOCK As at 31 st March, 2019
	As at 22 nd No- vember, 2018	Transferred pursuant to the Scheme of Arrangement (Note 39)	Additions during the period	Deletion during the Period	As at 31 st March, 2019	Upto 22 nd No- vember, 2018	Transferred pursuant to the Scheme of Arrangement (Note 39)	Provided during the Period	Deletion during the Period	Upto 31 st March, 2019	
Software	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-

Note 5 : Loans

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
A. Current			
Unsecured, considered good			
(a) Loan to employees	0.25	-	-
	0.25	-	-

Note 6 : Other financial assets

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Non-current			
Deposit with original maturity for more than 12 months	0.62	-	-
Security deposits	4.68	-	-
	5.30	-	-
Current			
Security deposits	1.19	-	-
Interest accrued on deposits	0.01	-	-
Retention Money with Customer	0.03	-	-
Other Receivables	0.02	-	0.01
	1.25	-	0.01

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Note 7: Other assets

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Non-Current			
Capital advances	12.32	-	-
Balance with statutory/government authorities	51.30	-	-
Prepaid expenses	2.60	-	-
	66.22	-	-
Current			
Balance with statutory/government authorities	14.93	-	-
Prepaid expenses	4.14	-	-
Advance to vendors	54.23	-	-
Less: Allowances for doubtful advances	(22.64)	-	-
Others	0.21	-	-
	50.87	-	-

Note 8: Inventories

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Raw materials	24.40	-	-
Work-in-progress	10.16	-	-
Finished goods	32.90	-	-
Stores and spare parts	9.36	-	-
Total*	76.82	-	-
Included above, goods-in-transit:			
Raw materials	7.64	-	-
Finished goods	6.23	-	-
	13.87	-	-

*The Company has made provision of ₹ 28.78 crores for writing down the value of inventories towards slow moving, non-moving and obsolete inventory. The above figures are net of provisions.

Note 9: Trade receivables

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Current			
Trade Receivables			
(a) Secured, considered good	107.84	-	-
(b) Unsecured, considered good	7.61	-	-
(c) Credit impaired	183.14	-	-
	298.59	-	-
Allowance for credit losses	(183.14)	-	-
	115.45	-	-

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Note: 10 Cash and cash equivalents

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Cash and cash equivalents			
Cash on hand	0.04	-	-
Cheques on hand	0.10	-	-
Balances with bank			
In Current accounts	3.02	0.01	-
	3.16	0.01	-

Note: 11 Other bank balances

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Deposit with original maturity for more than three months but less than twelve months	16.69	-	-
	16.69	-	-

Note 12: Equity share capital and other equity

12 (a): Equity share capital

Authorised equity share capital

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
69,99,00,000 Equity Shares of ₹ 10 each*	699.90	0.10	0.10
	699.90	0.10	0.10

*The Authorised Share Capital has been subsequently increased to 69,99,00,000 shares of ₹ 10 each on basis of information provided to registrar pursuant to the approval of Scheme of Arrangement by National Company Law Tribunal, Kolkata (Refer Note 39).

Issued, subscribed and paid-up equity share capital

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
14,25,90,079 Equity Shares of ₹ 10 each fully paid up	142.59	0.01	0.01

(i) Movement in equity share capital

Particulars	31 st March, 2020		31 st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Opening balance	10,000	0.01	-	-
Issued during the period	-	-	10,000	0.01
Shares cancelled pursuant to Scheme of Arrangement (Refer Note 39)	(10,000)	(0.01)	-	-
Shares Issued pursuant to Scheme of Arrangement (Refer Note 39)	14,25,90,079	142.59	-	-
Closing balance	14,25,90,079	142.59	10,000	0.01

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. All equity shareholders are entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in the proportion to their shareholdings.

12 (b): Share Capital Suspense

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
14,25,90,079 Shares to be issued to the shareholders of the demerged company pursuant to Scheme of Arrangement (Refer Note 39)	142.59	-	-
Changes during the period	(142.59)	-	-
Total Share Capital Suspense	-	-	-

12 (c): Other Equity

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Retained earnings	(425.66)	(0.01)	-
Total reserves and surplus	(425.66)	(0.01)	-

(i) Retained earning

Particulars	Retained earnings
As on 1 st April, 2019	(0.01)
Transferred pursuant to the Scheme of Arrangement (Refer Note 39)	(60.86)
Loss for the period 1 st January, 2019 to 31 st March, 2019 transferred pursuant to the Scheme of Arrangement (Refer Note 39)	(75.80)
Loss for the period	(286.67)
Other comprehensive income [net of tax]	(2.32)
Balance as at 31st March, 2020	(425.66)

Particulars	Retained earnings
Opening Balance	-
Loss for the period	(0.01)
Other comprehensive loss [net of tax]	-
Balance as at 31st March, 2019	(0.01)

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Financial Liabilities

Note 13: Borrowings (measured at amortised cost)

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Non-Current			
(a) Secured			
Term Loans:			
From Bank			
Indian rupee loan [Refer Note (a) below]	599.44	-	-
From others			
Indian rupee loan [Refer Note (b) below]	46.11	-	-
	645.55	-	-
Less: Current maturities of long term borrowings (Refer Note 14)	(41.51)	-	-
Add: Interest accrued on long term borrowings	15.51	-	-
	619.55	-	-
Current			
(a) Secured			
Working Capital Loan			
From Bank [Refer Note (c) below]			
Overdraft / Cash Credit	114.66	-	-
Working capital demand loan	118.32	-	-
	232.98	-	-
Add: Interest accrued on short term borrowings	3.00	-	-
	235.98	-	-

Net debt reconciliation

This section sets out an analysis of debt and the movements in net debt for the current period

Particulars	31 st March, 2020	31 st March, 2019
Cash and cash equivalents	3.16	0.01
Non-current borrowings	(661.06)	0.00
Current borrowings	(235.98)	0.00
Total	(893.88)	0.01

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	
Net debt as at 1 st April, 2019	0.01	-	-	0.01
Transferred pursuant to the Scheme of Arrangement (Refer Note 39)	(204.29)	(715.38)	(45.38)	(965.05)
Cash flows	92.78	70.73	(72.94)	90.57
Change in cash credit considered as cash and cash equivalent for statement of cash flows	114.66	-	(114.66)	-
Interest expenses	-	(79.97)	(71.79)	(151.76)
Interest paid	-	64.17	68.79	132.96
Changes in current maturities of long-term debt and interest accrued on them		(0.61)		(0.61)
Net debt as at 31 st March, 2020	3.16	(661.06)	(235.98)	(893.88)

(a) Repayment terms and nature of securities given for Indian rupee term loans from banks are as follows:

Bank	31 st March, 2020	Nature of Security	Repayment Terms
Axis Bank Ltd.	410.27	First pari passu charge on all movable and immovable property, plant and equipment (both present and future, including property, plant and equipment of Cygnet Industries Limited - subsidiary of Demerged Company, excluding assets related to Hindustan Heavy Chemicals & Kesoram Spun Pipes & Foundries Division and land at Solapur) of the Demerged Company. Second pari passu charge on all current assets of the Demerged Company.	Repayment in 40 unequal quarterly instalments starting from 30th April 2018 in the following manner:(a) first eight instalments of 1.25% each (b) next eight instalments of 1.875% each (c) next 8 instalments of 2.50% each (d) next 8 instalments of 3.125% each (e) next 8 instalments of 3.75% each. Interest payable monthly @ 6 month MCLR plus 2.50% p.a.
The South Indian Bank Ltd.	126.04	First pari passu charge on all movable and immovable property, plant and equipment (both present and future, including property, plant and equipment of Cygnet Industries Limited - subsidiary of Demerged Company, excluding assets related to Hindustan Heavy Chemicals & Kesoram Spun Pipes & Foundries Division and land at Solapur) of the Demerged Company. Second pari passu charge on all current assets of the Demerged Company.	Repayment in 40 unequal quarterly instalments starting from 30th April 2018 in the following manner:(a) first eight instalments of 1.25% each (b) next eight instalments of 1.875% each (c) next 8 instalments of 2.50% each (d) next 8 instalments of 3.125% each (e) next 8 instalments of 3.75% each. Interest payable monthly @ 1 Year MCLR plus 0.75% p.a.

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Bank	31 st March, 2020	Nature of Security	Repayment Terms
The Karur Vysya Bank Ltd.	31.55	First pari passu charge on all movable and immovable property, plant and equipment (both present and future, including property, plant and equipment of Cygnet Industries Limited - subsidiary of Demerged Company, excluding assets related to Hindustan Heavy Chemicals & Kesoram Spun Pipes & Foundries Division and land at Solapur) of the Demerged Company. Second pari passu charge on all current assets of the Demerged Company.	Repayment in 40 unequal quarterly instalments starting from 30 th April 2018 in the following manner:(a) first eight instalments of 1.25% each (b) next eight instalments of 1.875% each (c) next 8 instalments of 2.50% each (d) next 8 instalments of 3.125% each (e) next 8 instalments of 3.75% each. Interest payable monthly @ 1 Year MCLR plus 0.40% p.a.
The Lakshmi Vilas Bank Ltd.	31.56	First pari passu charge on all movable and immovable property, plant and equipment (both present and future, including property, plant and equipment of Cygnet Industries Limited - subsidiary of Demerged Company, excluding assets related to Hindustan Heavy Chemicals & Kesoram Spun Pipes & Foundries Division and land at Solapur) of the Demerged Company. Second pari passu charge on all current assets of the Demerged Company.	Repayment in 40 unequal quarterly instalments starting from 30 th April 2018 in the following manner:(a) first eight instalments of 1.25% each (b) next eight instalments of 1.875% each (c) next 8 instalments of 2.50% each (d) next 8 instalments of 3.125% each (e) next 8 instalments of 3.75% each. Interest payable monthly @ 1 Year MCLR plus 0.65% p.a.
	599.42		

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

(b) Repayment terms and nature of securities given for Indian rupee term loans from others are as follows:

Financial Institution	31 st March, 2020	Nature of Security	Repayment Terms
West Bengal Infrastructure Development Finance Corporation Ltd.	31.56	First pari passu charge on all movable and immovable property, plant and equipment (both present and future, including property, plant and equipment of Cygnet Industries Limited - subsidiary of Demerged Company, excluding assets related to Hindustan Heavy Chemicals & Kesoram Spun Pipes & Foundries Division and land at Solapur) of the Demerged Company. Second pari passu charge on all current assets of the Demerged Company.	Repayment in 40 unequal quarterly instalments starting from 30 th April 2018 in the following manner:(a) first eight instalments of 1.25% each (b) next eight instalments of 1.875% each (c) next 8 instalments of 2.50% each (d) next 8 instalments of 3.125% each (e) next 8 instalments of 3.75% each. Interest payable monthly @ Axis Bank 6 month MCLR plus 1% p.a.
West Bengal Infrastructure Development Finance Corporation Ltd.	14.56	First pari passu charge on all movable and immovable property, plant and equipment (including Solapur Land) of the Demerged Company. Second pari passu charge on all current assets of the Demerged Company (excluding assets related to Corporate office, Hindustan Heavy Chemicals & Kesoram Spun Pipes & Foundries Division).	Repayment in 16 equal quarterly instalments starting from 30 th June 2019 . Interest payable monthly @ IndusInd Bank 1 year MCLR plus 1.25% p.a.
	46.12		

(c) Repayment terms and nature of securities given for short term borrowings

- 1 Secured by way of hypothecation, first pari passu charge on current assets and second charge on movable and immovable property, plant and equipment, of the demerged Company.
- 2 The cash credit and working capital demand loans are repayable on demand.

(d) The Company is in the process of executing new loan agreement with the banks / financial institutions and also is in process of getting the securities of above loans transferred on assets of the Company which are presently secured by assets pertaining to the demerged Company i.e. Kesoram Industries Limited. As on 31st March, 2020, no financial covenants have been identified by the management in the absence of new loan agreement.

The Company has applied and received the moratorium from most of the lenders as per the scheme of Reserve Bank of India. Accordingly, current maturities of long term borrowings have been restated to the extent of repayments falling due during the moratorium period. The Company have considered existing loan agreements as the base since it is still in the process of executing the revised loan agreements with the respective lenders.

Notes to Financial Statements for the period ended 31st March, 2020

Note 14: Other financial liabilities

(All amounts in Rupees crores, unless otherwise stated)

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Non-Current			
Security deposits	150.64	-	-
	150.64	-	-
Current			
Current maturities of long-term debt (Refer Note 13)	41.51	-	-
Interest accrued but not due on others deposits	3.11	-	-
Capital creditors	14.72	-	-
Retention & earnest deposits	6.32	-	-
Payable to Demerged company	406.94	-	-
	472.60	-	-

Note 15: Provisions

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Non-Current			
(a) Provision for employee benefits			
Provision for leave encashment (unfunded)	7.42	-	-
(b) Others			
Warranties	8.72	-	-
Total non-current provisions	16.14	-	-
Current			
(a) Provision for employee benefits			
Provision for gratuity	4.08	-	-
Provision for leave encashment (unfunded)	2.53	-	-
(b) Others			
Warranties	11.24	-	-
Provision for contingencies	45.80	-	-
Total current provisions	63.65	-	-

(i) Movement in provisions

Movements in each class of provision during the financial year, are set out below:

Particulars	Warranties	Provision for Contingencies	Provision for Contingencies
As at 1st April, 2019	-	-	-
Transferred pursuant to Scheme of Arrangement (Refer Note 39)	20.69	45.80	-
Charged/(credited) to profit or loss:			
Additional provision recognised	6.73	-	-
Amounts used during the year	(9.76)	-	-
Unwinding of discount	2.30	-	-
As at 31st March, 2020	19.96	45.80	-

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Particulars	Warranties	Provision for Contingencies	Provision for Contingencies
As at 22nd November, 2018	-	-	-
Charged/(credited) to profit or loss:			
Additional provision recognised	-	-	-
Unused amounts reversed	-	-	-
Amounts used during the period	-	-	-
Unwinding of discount	-	-	-
As at 31st March, 2019	-	-	-

Note 16: Deferred tax liabilities

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Deferred Tax Liabilities			
Timing Difference - Property, plant and equipment	114.96	-	-
Others	0.32	-	-
Gross Deferred Tax Liability	115.28	-	-
Deferred Tax Assets			
Items allowable for tax purpose on payment basis	30.26	-	-
Provisions	80.47	-	-
Others	4.55	-	-
Gross Deferred Tax Asset	115.28	-	-
Net Deferred Tax Liability / (Asset)	-	-	-

Note 17: Other Liabilities

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Current			
Deferred revenue	1.04	-	-
Advance from customers	17.10	-	-
Statutory dues	49.64	-	-
Other payables	2.39	0.01	-
	70.17	0.01	-

Note 18: Trade payables

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Current			
(a) Total outstanding dues of micro enterprises and small enterprises (Refer Note 31)	5.80	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises			
(i) Acceptances	3.94	-	-
(ii) Others	217.16	-	-
(c) Employee benefits payable	46.16	-	-
	273.06	-	-

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Note 19: Revenue from operations

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Revenue from contracts with customers #		
Sale of Products	470.19	-
Other operating revenue	1.51	-
	471.70	-

The entire revenue is being recorded at a point in time.

A. Revenue from contracts with customers disaggregated on the basis of geographical region and product lines is presented below:

Period ended 31st March, 2020

Particulars	India	Outside India	Total
Tyre	402.32	69.38	471.70

B. The Company has recognised the following revenue-related contract liabilities and receivables from contract with customers.

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Contract liabilities – Deferred revenue	1.04	-
Contract liabilities - Advance from customers	17.10	-
	18.14	-

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Trade Receivables - Gross	298.59	-
Less: Allowance for doubtful debt	(183.14)	-
	115.45	-

(i) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were not satisfied in a prior year.

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Revenue recognised that was included in the contract liability balance at the beginning of the period:		
Contract liabilities – Deferred revenue	1.65	-
Contract liabilities - Advance from customers	8.46	-
	10.11	-

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Movements in Contract Liabilities during the financial year, are set out below:

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Contract liabilities – Deferred revenue		
As at 1st April, 2019	-	-
Transferred pursuant to Scheme of Arrangement (Refer Note 39)	2.16	-
Addition during the year	0.52	-
Revenue recognised	(1.13)	-
Provision reversed	(0.51)	-
As at 31st March, 2020	1.04	-

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Contract liabilities – Advance from Customer		
As at 1st April, 2019	-	-
Transferred pursuant to Scheme of Arrangement (Refer Note 39)	10.64	-
Addition during the year	254.92	-
Revenue recognised	(259.82)	-
As at 31st March, 2020	5.74	-

Note 20: Other Income

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Interest income:		
On financial instruments measured at amortised cost	1.77	-
Liabilities no longer required written back	17.55	-
Insurance claims	1.08	-
Excise Duty Refund	43.32	-
Miscellaneous income	3.04	-
	66.76	-

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Note 21: Cost of Materials Consumed

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Raw Material Consumed		
Opening inventory	-	
Add : Transferred pursuant to Scheme of Arrangement (Refer Note 39)	54.15	-
Add : Purchases	222.58	-
Less : Inventory at the end of the year	22.95	-
	253.78	-

Particulars		Period ended 31 st March, 2020	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
		Quantity		
(b) Purchase of stock-in-trade comprise:				
Tyre	Nos	10,344	13.03	-
Tubes	Nos	1,09,919	8.20	-
Flaps	Nos	1,65,220	4.23	-
			25.46	-

Note 22: Changes in inventories of finished goods, work-in-progress and stock in trade

Particulars	Period ended 31 st March 2020	22 nd November 2018 - 31 st March 2019
Inventories at the beginning of the period	-	-
Add : Transferred pursuant to Scheme of Arrangement (Refer Note 39)		
- Work - in - progress	18.53	-
- Finished Goods	63.03	-
Less: Inventories at the end of the period		
- Work - in - progress	10.16	-
- Finished Goods	32.90	-
	38.50	-

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Note 23: Employee benefits expense

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Salaries, wages and bonus	110.50	-
Contribution to provident fund	6.45	-
Gratuity	1.76	-
Contribution under Employees State Insurance Scheme	0.16	-
Contribution to Labour welfare fund	0.13	-
Staff welfare expenses	2.50	-
Total employee benefits expense	121.50	-

During the year, the Company recognised an amount of ₹ 1.53 crore as remuneration to key managerial personnel. The details of such remuneration is as below:

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Short term employee benefits	1.52	-
Post employment benefits	0.01	-
Total employee benefits expense	1.53	-

(i) Compensated absences

Compensated absences cover the Company's liability for sick and earned leave.

(ii) Defined benefit plan

Gratuity

The Company operates a gratuity plan through the "KICM Gratuity Fund". Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

(iii) Defined contribution plan

Provident fund

The Company provides provident fund benefits for eligible employees as per applicable regulations wherein both employees and the Company make monthly contributions at a specified percentage of the eligible employee's salary. The Company pays provident fund contributions to publically administered local fund as per the local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

(iv) Balance sheet recognition

a) Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
1 st April, 2019	-	-	-
Transferred pursuant to Scheme of Arrangement (Refer Note 39)	29.75	27.74	2.01
Current service cost	1.67	-	1.67
Interest expense/(income)	1.92	1.83	0.09
Total amount recognised in profit or loss	3.59	1.83	1.76
<i>Remeasurement</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(0.84)	0.84
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	1.75	-	1.75
Actuarial (gain)/loss from unexpected experience	(0.26)	-	(0.26)
Total amount recognised in other comprehensive income	1.49	(0.84)	2.32
Employer contributions/ premium paid	-	2.01	(2.01)
Benefit payments	1.36	1.36	-
Settlement Cost	-	-	-
Disposal/ Transfer of Asset	-	-	-
31st March, 2020	33.47	29.38	4.08

(v) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31 st March, 2020
Discount rate	6.60%
Expected return on plan asset	6.60%
Salary growth rate	5.00%
Attrition rate	1.00%
Mortality rate	IALM 2006-2008 ULTIMATE

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

(vi) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation	
	31 st March, 2020	
	Increase	Decrease
Discount rate (-/+ 0.5%)	32.45	34.53
% change compared to base due to sensitivity	-3.04%	3.19%
Salary growth rate (-/+ 0.5%)	34.54	32.43
% change compared to base due to sensitivity	3.21%	-3.09%
Attrition rate (-/+ 0.5%)	33.48	33.44
% change compared to base due to sensitivity	0.06%	-0.06%
Life expectancy/ mortality rate (-/+ 10%)	33.62	33.31
% change compared to base due to sensitivity	0.47%	-0.47%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(vii) The major categories of plans assets

In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

(viii) Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk:

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies.

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

(ix) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the period ended 31st March, 2020 is ₹ 4.08 crores.

The weighted average duration of the defined benefit obligation is 9 years.

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Note 24: Depreciation and amortisation expense

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Depreciation on tangible assets	33.92	-
Depreciation on Right of use assets	4.14	-
	38.06	-

Note 25: Finance cost

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Interest expenses	151.74	-
	151.74	-

Note 26: Other expenses

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Consumption of stores and spare parts	2.95	-
Power and fuel	34.27	-
Rent	4.34	-
Repairs and Maintenance		
Building	0.44	-
Plant and Machinery	4.09	-
Others	0.82	-
Insurance	5.05	-
Rates and Taxes	12.61	-
Job working charges	2.98	-
Packing, Carriage and Shipping	24.00	-
Commission to selling agents	6.38	-
Sales Promotion	2.01	-
Debts/ Advances/ Deposits written off	2.72	-
Legal & Professional Expenses	29.96	-
Provision for doubtful debts	19.76	-
Loss on property, plant and equipments sold/ discarded (net)	0.93	-
Payments to the auditor [Refer Note (a) below]	2.07	0.01
Loss On Claim - Warranty	6.73	-
Foreign currency translation loss (net)	(2.62)	-
Demurrage Charges	16.81	-
Miscellaneous expenses	19.79	-
	196.09	0.01

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

(a) Details of auditors' remuneration and out-of-pocket expenses are as below:

Auditors remuneration and out-of-pocket expenses:

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Audit Fees (Including Limited Reviews)*	0.54	0.01
Tax Audit Fees	0.15	-
Fees for issuing various certificates/ Other services	1.38	-
	2.07	0.01

(b) Legal & Professional Expenses include:

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Payment to cost auditor	0.02	-

* Previous year audit fees relates to the erstwhile statutory auditors.

Note 27: Income tax expense

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

(a) Income tax expense

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Current tax		
Current tax on profits for the year	-	-
Total current tax expense	-	-
Deferred tax		
Decrease / (increase) in deferred tax assets	1.39	-
(Decrease) / increase in deferred tax liabilities	(1.39)	-
Total deferred tax expense/(benefit)	-	-
Income tax expense	-	-

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Profit / (Loss) before tax	(286.67)	-
Tax at the rate of 34.944%	(100.17)	-
Deferred tax asset not recognised	87.00	-
Permanent differences	0.15	-
Others (including difference in tax rates)	13.02	-
Total income tax expense/(credit)	-	-

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

(c) Tax losses

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Unused tax losses for which no deferred tax has been recognised:		
Tax losses		
Business loss	496.55	-
Unabsorbed tax depreciation	477.69	-
Potential tax benefit @ 34.944% on Unabsorbed Business loss/Tax Depreciation (FY 2018-19 @34.944%)	340.44	-
Total	340.44	-

(a) Unabsorbed depreciation does not have any expiry period.

(b) Business losses have an expiry ranging from 1 to 8 years as at the reporting date.

Note 28: Earnings per share

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
(i) Basic		
Number of equity shares at the beginning of the period	14,25,90,079	-
Number of equity shares at the end of the period	14,25,90,079	10,000
Weighted average number of equity shares outstanding during the period (A)	14,25,90,079	10,000
Nominal value of each equity Share (₹)	10	10
Profit / (Loss) for the year (₹ in crore) (B)	(286.69)	(0.01)
Earnings per share (Basic) (₹) (B/A)	(20.11)	(11.08)
(ii) Diluted		
Weighted average number of equity shares outstanding during the period	14,25,90,079	10,000
Earnings per share (Diluted) (₹)	(20.11)	(11.08)

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Note 29: Contingent liabilities

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
(a) Guarantees given -			
(i) by Banks on behalf of other companies	-	-	-
(b) Claims against the Company not acknowledged as debts :			
(i) Rates, Taxes, Duties etc. demanded by various Authorities	229.18	-	-
(c) Income Tax matters	-	-	-
	229.18	-	-

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of appeals.

Note 30: Capital and other commitments

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
(a) Capital Commitments			
Estimated value of contracts in capital account remaining to be executed [net of advances ₹ 9.58 crore]	47.78	-	-
	47.78	-	-

Note 31: The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	5.80	-	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.99	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-	-
Further interest remaining due and payable for earlier years	-	-	-

The above information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Note 32: Lease Disclosure

The estimated impact of Ind AS 116 on the Company's financial statements as at 31st March, 2020 is as follows:-

- The following is the break-up of current and non-current lease liabilities as at 31st March, 2020.

Particulars	31 st March, 2020
Current Lease Liability	3.46
Non Current Lease Liability	6.22
	9.68

- The following is the movement in lease liabilities during the year ended 31st March, 2020:

Particulars	31 st March, 2020
Balance as on transition to IND AS 116	13.23
Additions during the year	0.73
Finance cost accrued during the period	1.48
Deletions / Liability written back	(1.00)
Payment of lease liabilities	(4.76)
	9.68

- Expense pertaining to leases which has been identified as Short Term

Particulars	31 st March, 2020
Rent Paid	4.34

- Contractual maturities of lease liabilities as at 31st March, 2020 on an undiscounted basis

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	31 st March, 2020
Less than 1 year	3.97
One to five years	4.84
More than five years	3.13

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Note 33: Capital management

(a) Risk management

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

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

Note 34 : Fair value measurements

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

Financial instruments by category

Particulars	31 st March, 2020			Total Carrying Value	Total Fair Value
	FVPL	FVOCI	Amortised cost		
Financial assets					
Cash and cash equivalents	-	-	3.16	3.16	3.16
Other bank balances	-	-	16.69	16.69	16.69
Trade receivables	-	-	115.45	115.45	115.45
Loans	-	-	0.25	0.25	0.25
Other financial assets	-	-	6.55	6.55	6.55
Total financial assets	-	-	142.10	142.10	142.10
Financial liabilities					
Borrowings	-	-	897.04	897.04	897.04
Trade and other payables	-	-	273.06	273.06	273.06
Lease liabilities	-	-	9.68	9.68	9.68
Other financial liabilities	-	-	581.73	581.73	581.73
Total financial liabilities	-	-	1,761.51	1,761.51	1,761.51

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Particulars	31 st March, 2019			Total Carrying Value	Total Fair Value
	FVPL	FVOCI	Amortised cost		
Financial assets					
Cash and cash equivalents	-	-	0.01	0.01	0.01
Other bank balances	-	-	-	-	-
Trade receivables	-	-	-	-	-
Loans	-	-	-	-	-
Other financial assets	-	-	-	-	-
Total financial assets	-	-	0.01	0.01	0.01
Financial liabilities					
Borrowings	-	-	-	-	-
Trade and other payables	-	-	-	-	-
Lease liabilities	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Total financial liabilities	-	-	-	-	-

Particulars	22 nd November, 2018			Total Carrying Value	Total Fair Value
	FVPL	FVOCI	Amortised cost		
Financial assets					
Cash and cash equivalents	-	-	-	-	-
Other bank balances	-	-	-	-	-
Trade receivables	-	-	-	-	-
Loans	-	-	-	-	-
Other financial assets	-	-	0.01	0.01	0.01
Total financial assets	-	-	0.01	0.01	0.01
Financial liabilities					
Borrowings	-	-	-	-	-
Trade and other payables	-	-	-	-	-
Lease liabilities	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Total financial liabilities	-	-	-	-	-

(i) Valuation technique used to determine fair value-

- Fair value of borrowings is estimated by discounting expected future cash flows. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.
- The carrying amounts of remaining financial assets and liabilities are considered to be the same as their fair values.
- Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Note 35: Financial risk management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors.

The risk management framework aims to:

- (i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
- (ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(A) Credit risk

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Maximum exposure to credit risk of the Company has been listed below:

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Trade receivables	115.45	-	-
Loan	0.25	-	-
Other financial assets	6.55	-	-
Total	122.25	-	-

Other receivables as stated above are due from the parties under normal course of the business and as such the Company believes exposure to credit risk to be minimal.

i) Trade and other receivables

Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying upto 90 days credit terms. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Where credit risk is high, domestic trade receivables are backed by security deposits. Export receivables are backed by letters of credit.

In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

The Company's exposure to customers is diversified and there is no significant credit exposure on account of any single customer as at 31st March 2020.

The company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows:

Particulars	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Opening balance	-	-
Transferred pursuant to the Scheme of Arrangement (Refer Note 39)	163.38	-
Charge/(Release) to statement of profit and loss	22.33	-
Utilised during the year	-	-
Reversed during the year	(2.72)	-
Balance at the end of the year	182.99	-

Notes to Financial Statements for the period ended 31st March, 2020

(B) Liquidity risk

(All amounts in Rupees crores, unless otherwise stated)

Liquidity risk refers to that risk where the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement. In doing this, management considers both normal and stressed conditions. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring cash flow forecast and by matching the maturity profiles of financial assets and liabilities.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through commercial paper programs, non-convertible debentures and other debt instruments. The Company invests its surplus funds in bank fixed deposit and in mutual funds, which carry no or low market risk.

The Company has defaulted in repayment of letter of credit, its working capital facilities and interest payable to lenders aggregating to ₹ 146.06 crore in respect of its term loans and working capital facilities as on March 31, 2020. The default is primarily caused to due to liquidity mismatch, while the company has continued to generate positive cash flow from its business operations.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities 31 st March, 2020	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	293.00	125.66	153.76	340.18	912.60
Other financial liabilities	431.09	-	-	150.64	581.73
Lease liability	3.97	3.22	1.62	3.13	11.94
Trade payables	273.06	-	-	-	273.06
Total non-derivative financial liabilities	1,001.12	128.88	155.37	493.95	1,779.33

Contractual maturities of financial liabilities 31 st March, 2019	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Lease liability	-	-	-	-	-
Trade payables	-	-	-	-	-
Total non-derivative financial liabilities	-	-	-	-	-

Contractual maturities of financial liabilities 22 nd November, 2018	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Lease liability	-	-	-	-	-
Trade payables	-	-	-	-	-
Total non-derivative financial liabilities	-	-	-	-	-

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

(C) Market risk

(i) Foreign currency risk

The Company deals with foreign currency loan, trade payables etc and is therefore exposed to foreign exchange risk associated with exchange rate movement.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

Foreign currency risk exposure

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR (foreign currency amount multiplied by closing rate), are as follows:-

31st March, 2020

	USD (in millions)		EUR (in millions)		GBP (in millions)		JPY (in millions)	
	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency
Financial assets								
Trade receivables	24.72	187.05	-	-	-	-	-	-
Financial liabilities								
Trade payables	2.34	17.69	0.16	1.32	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk	22.38	169.36	(0.16)	(1.32)	-	-	-	-

31st March, 2019

	USD (in millions)		EUR (in millions)		GBP (in millions)		JPY (in millions)	
	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency
Financial assets								
Trade receivables	-	-	-	-	-	-	-	-
Financial liabilities								
Trade payables	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk	-	-	-	-	-	-	-	-

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

22nd November, 2018

	USD (in millions)		EUR (in millions)		GBP (in millions)		JPY (in millions)	
	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency
Financial assets								
Trade receivables	-	-	-	-	-	-	-	-
Financial liabilities								
Trade payables	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk	-	-	-	-	-	-	-	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Impact on profit before tax	Impact on profit before tax
	Period ended 31 st March, 2020	22 nd November, 2018 to 31 st March, 2019
USD sensitivity		
INR/USD appreciates by 5% (31 st March, 2020 - 5%)@	(8.47)	-
INR/USD depreciates by 5% (31 st March, 2020 - 5%)@	8.47	-
EUR sensitivity		
INR/EUR appreciates by 5% (31 st March, 2020 - 5%)@	0.07	-
INR/EUR depreciates by 5% (31 st March, 2020 - 5%)@	(0.07)	-
GBP sensitivity		
INR/GBP appreciates by 5% (31 st March, 2020 - 5%)@	-	-
INR/GBP depreciates by 5% (31 st March, 2020 - 5%)@	-	-
JPY sensitivity		
INR/JPY appreciates by 5% (31 st March, 2020 - 5%)@	-	-
INR/JPY depreciates by 5% (31 st March, 2020 - 5%)@	-	-

@ Holding all other variables constant

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31st March, 2020, the Company's borrowings at variable rate were mainly denominated in INR.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

(a) Interest rate risk exposure

On Financial Liabilities:

The exposure of the Company's financial liabilities to interest rate risk is as follows:

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Variable rate borrowings	912.60	-	-
Total borrowings	912.60	-	-

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates as below:

	Impact on profit before tax	Impact on profit before tax
	Period ended 31 st March, 2020	Period ended 22 nd November, 2018 to 31 st March, 2019
Interest expense rates – increase by 50 basis points (50 bps)#	(4.56)	-
Interest expense rates – decrease by 50 basis points (50 bps)#	4.56	-

Holding all other variables constant

Note 36: Segment reporting

Segment Reporting Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Based on the management approach as defined in Ind AS 108, the Chief Operating Decision Maker evaluates the Company's performance based on only one segment i.e. manufacturing and trading of Tyres.

Geographical information

(a) Revenue from external customers:

Particulars	Period ended 31 st March, 2020	Period ended 22 nd November, 2018 to 31 st March, 2019
India	402.32	-
Others	69.38	-
	471.70	-

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Note 37: Related party transactions

List of Related Parties and relationship	
A) Post Retirement Benefit Plan	KICM Gratuity Fund
B) Key Management Personnel	Manjushree Khaitan Kashi Prasad Khandelwal Prabal Kumar Sarkar Mangala Radhakrishna Prabhu Bharat Damodar Vasani Radhakrishnan Padmalochanan Kausik Biswas Prithiraj Mukherjee Gautam Ganguli Herve Frederic Richert Anirban Moulik Rajat Arora
C) Others	
a. Entity Controlled, Joint Control by Key Management Personnel	MSK Travels and Tours Limited Aditya Marketing & Mfg Limited Jay Shree Tea & Industries Limited Arbela Trading and Services Private Limited Usinara Trading and Services Private Limited
b. One Entity is an Associate of the other Entity (or an Associate of a group of which the other Entity is a member)	Manav Investment & Trading Co Limited & its subsidiaries

(A) The following transactions were carried out with the related parties in the ordinary course of business.

Nature of Transaction/ Relationship	Period ended 31 st March, 2020	22 nd November, 2018 - 31 st March, 2019
Gratuity Contribution		
Post Retirement Benefit Plan	2.01	-
Gratuity Claimed		
Post Retirement Benefit Plan	1.36	-
Remuneration		
Key Management Personnel	1.54	-
Upkeep, Rent, Electricity ,Generator facility & others		
Others	0.05	-
Tour & Travel Services		
Others	1.95	-

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

(B) Outstanding Balances

Particulars	31 st March, 2020	31 st March, 2019	22 nd November, 2018
Payable :			
Post Retirement Benefit Plan	4.08	-	-
Key Management Personnel	1.54	-	-
Others	1.68	-	-
Receivable :			
Post Retirement Benefit Plan	-	-	-

Note 38: Research & Development Expenditure

Particulars	Period ended 31 st March, 2020		22 nd November, 2018 - 31 st March, 2019	
	Capital	Revenue	Capital	Revenue
Research & Development	0.06	4.73	-	-

Note 39: Scheme of Arrangement

- (a) Pursuant to the Scheme of Arrangement ("the scheme") approved by the National Company Law Tribunal ("NCLT"), all the assets and liabilities of the Tyre division of Kesoram Industries Limited ("Demerged Company") has been transferred to and vested in the Company at the values as appearing in the books of the Demerged Company, prepared in accordance with the provisions of Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 on a going concern basis from 1st January, 2019 being the appointed date.
- (b) As per the scheme, appointed date as approved by NCLT is 1st January, 2019 and effective date is 4th December, 2019 being the date on which certified copy of the order sanctioning the said scheme is filed with Registrar of Companies, West Bengal in accordance with applicable provisions of the Companies Act, 2013.

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

The details of assets and liabilities transferred from Demerged Company were as under:

ASSETS	AMOUNT
Non- Current Assets	
Tangible assets (net of accumulated Depreciation)	560.80
Capital work in progress	770.50
Intangible assets (net of accumulated Depreciation)	0.03
Other financial assets	7.97
Other non current assets	71.10
Current Assets	
Inventories	200.42
Trade receivables	213.86
Cash and cash equivalents	33.85
Bank balances other than above	10.11
Loans	0.31
Other financial assets	1.25
Other current assets	66.75
Total Assets (A)	1936.95
Non-current Liabilities	
Long-term borrowings	726.00
Long-term provisions	6.40
Other Financial Liabilities	162.28
Financial Liability	
Short-term borrowings	266.79
Trade payables	548.60
Other current financial liabilities	27.97
Other current liabilities	49.31
Short-term provisions	67.87
Total Liabilities (B)	1855.22
Net Assets transferred from Demerged Company	81.73
Less: Shares to be issued to Shareholders of Demerged Company	142.59
Total Amount transferred to Retained Earnings arising pursuant to Demerger	(60.86)

- (c) As per the scheme the existing share capital of ₹ 1,00,000 comprising 10,000 equity share of ₹ 10 each of the resulting company shall be cancelled, extinguished and paid off to the extent of the nominal value in cash which was regarded as reduction of share capital of the company subsequent to the issue and allotment of new equity shares by the company to the equity share holders of the demerged company. The order of the NCLT sanctioning the scheme has been deemed to be an order under section 66 of the act confirming the reduction of the share capital.
- (d) Upon the effectiveness of this Scheme, the Resulting Company shall, issue and allot to each shareholder of the Demerged Company, whose name is recorded in the register of members and records of the depository as members of the Demerged Company, on the Record Date, (1) one equity share of ₹ 10 (Rupees Ten) each of Resulting Company credited as fully paid up for every equity share of ₹ 10 (Rupees Ten) each held by such shareholder in the Demerged

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

Company ("New Equity Shares") such that the shareholding in the Resulting Company on such issuance of shares is the mirror image of the shareholding in the Demerged Company.

- (e) The difference i.e. the excess or shortfall, as the case may be, of the value of the assets and the liabilities pertaining to the Demerged Undertaking and received from the Demerged Company pursuant to the Scheme after taking into account the face value of the shares issued by the Resulting Company shall be credited or debited to the reserves of the Resulting Company.
- (f) The Demerged Company transferred its assets and liabilities to the Company pursuant to Scheme of Arrangement. The appointed date of the scheme is January 01, 2019 as approved by the NCLT. Therefore, all transactions from January 01, 2019 to March 31, 2020 of the Tyre division were carried on behalf of the Company and the same is recorded as payable on account of demerger to Kesoram Industries Limited as at 31st March, 2020. Refer Note 14 for the balance as on 31st March, 2020.
- (g) Further, general or multipurpose borrowings of the Company, amounting to ₹ 984.68 crore is included in the above table, transferred from the Demerged Company in the ratio of the value of assets transferred bears to the total value of the assets of the Demerged Company immediately before the appointed date in terms of the NCLT approved scheme. The banks are in the process of splitting the loan as per the order.

Note 40: Going Concern Assumption

The Company has incurred losses during the current year, primarily due to lower business activity level and finance costs which has resulted in erosion in net worth during the year and as at March 31, 2020. The net current liabilities as at March 31, 2020 were ₹ 854.43 Crore. Further, the Company has not complied with certain financial debt covenants, defaulted in repayment of letter of credit, working capital facilities over dues and interest payable to lenders aggregating to ₹ 146.06 Crore as on March 31, 2020. The default is primarily caused to due to liquidity stretch. The aforesaid conditions indicate existence of liquidity stress and material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern and consequently, the ability of the Company to realise its assets and discharge its liabilities in the normal course of business.

The Board of directors has evaluated these conditions and has advised management to take measures to improve the liquidity condition of the Company. The Company is working towards a resolution plan with the lenders, which will enable the Company to scale up its operations and meet the remaining financial obligations. The management is expecting to get the necessary approval of the stakeholders. The Company's ability to continue as a going concern is dependent on successful outcome of the above mentioned management plans. Pending implementation of the resolution plan the Promoter Group, has committed to provided continuing financial support to the Company over the next 15 months as and when necessary. Accordingly, these financial information have been prepared on the basis that the Company will continue as a going concern.

Note 41: First time adoption of Ind AS**Transition to Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in Note 2, have been applied in preparing the financial statements for the year ended 31st March, 2020, the comparative information presented in these financial statements for the year ended 31st March, 2019 and in the preparation of an opening Ind AS balance sheet at 22nd November, 2018 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

A. Exemptions and exceptions availed

Set below are the applicable Ind AS optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost

The Company has elected to treat fair value as deemed cost for certain items of its property, plant and equipment.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 22nd November, 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVOCI;
- Impairment of financial assets based on expected credit loss model.
- Decommissioning liability related to certain items of property, plant and equipment.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the fact and circumstances that exists at the date of transition to Ind AS.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

(1) Reconciliation of total equity

Particulars	31 st March, 2019 (Audited)	22 nd November, 2018 (Audited)
Equity as reported under previous GAAP	-	-
Equity as reported under Ind AS	-	-

(2) Reconciliation of total comprehensive income

Particulars	Period ended 31 st March, 2019
Net Profit / (Loss) as per previous GAAP	(0.01)
Net Profit as per Ind AS	(0.01)
Other comprehensive income/(loss) (net of tax)	-
Total comprehensive income/(loss) as per Ind AS	(0.01)

Notes to Financial Statements for the period ended 31st March, 2020

(All amounts in Rupees crores, unless otherwise stated)

(3) Reconciliation of statement of cash flows

Particulars	Amount as per previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
Net cash generated from/(used in) operating activities			
Net cash generated from/(used in) investing activities			
Net cash generated from/(used in) financing activities	0.01	-	0.01
Net increase/(decrease) in cash and cash equivalents	0.01	-	0.01
Cash and cash equivalents as at 22 nd November 2018	-	-	-
Cash and cash equivalents as at 31 st March 2019	0.01	-	0.01

The Company was incorporated on 22nd November, 2018 and does not have operation during the previous year ended 31st March, 2019. Hence, there are Company does not have any reconciliation item to be reported as part of first time adoption of Ind AS.

Note 42: The appearance of COVID-19 in January, 2020 and its global expansion has caused the viral outbreak to be classified as a pandemic on 11th March, 2020 by the World Health Organisation. Since then measures are being adopted to combat the virus which is having a significant impact not only on people but economic activity in general. As per the directives of both the Central and State Governments in the wake of COVID-19 pandemic, the operations of the Company were impacted, due to shutdown of all plants and offices (from 24th March, 2020 to 2nd May, 2020) following nationwide lockdown by the Government of India. The Company has resumed operations in a phased manner as per directives from the Government of India. The Management has considered the possible effects, if any, that may result from of the pandemic on the business and carrying amounts of current assets and liabilities after considering internal and external sources of information including the possible future uncertainties in the global economic conditions as at the date of approval of these financial results. Given the uncertainties associated with pandemic's nature and duration, the actuals may differ from the estimates considered in these financial results. The Company continues to closely monitor the rapidly changing situation in order to successfully address possible financial and non-financial impact on the Company.

Note 43: The financial statement of the Company for the year ended March 31, 2019 were audited by SINGHI & CO, Chartered Accountants, the predecessor auditor. The financial statements for the previous ended 31st March, 2019 is not comparable with current year since this includes the business of tyre segment of the demerged company (Refer Note 39).

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.302009E)

Abhijit Bandyopadhyay
Partner

Place: Kolkata

Date : 31st July, 2020

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman

Herve Frederic Richert
Chief Executive Officer

Kaushik Biswas
Director

Rajat Arora
Company Secretary

Anirban Moulik
Chief Financial Officer