

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BIRLA TYRES LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Birla Tyres Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended March 31, 2024 and material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its loss (including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 1 (a) "Note on the Resolution Plan and Schedule 7 (Financial Restructuring Scheme- "FRS Scheme") contained therein, approved by the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT') under the Corporate Insolvency Resolution Process" and Note 1 (b) "Note on the Resolution Plan and Schedule 8 ("Scheme of Demerger"

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effective from 6th May, 2022) contained therein, approved by the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT') under the Corporate Insolvency Resolution Process." of the financial statements which states the accounting treatment of Resolution Plan approved by NCLT on 19th October, 2023.

The Approved Resolution Plan also contains Financial Restructuring Scheme (Schedule 7 of the Approved Resolution Plan) which provides for treatment of select existing assets and liabilities of the Company from the Restructuring Appointed Date (i.e., 5th May 2022) and eventual capital reduction of the share capital of the Company.

Further, The Approved Resolution Plan also contains the Scheme of Demerger which provides for demerger of the Tyre Undertaking (as defined in the approved Resolution) (Demerged Undertaking) of the Company ("Transferor Company") to Dalmia Bharat Refractories Limited ("Transferee Company" / "Successful Resolution Applicant") with effect from the Demerger Appointed Date, i.e., 6th May 2022.

Accordingly, the Company has accounted for the approved Financial Restructuring Scheme and Demerger Scheme during the financial year 2022-23.

Our opinion is not modified in respect of this matter.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position,

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financial performance including Other Comprehensive Income, cash flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

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

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

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

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



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- Obtain an understanding of internal financial controls 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 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone 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.



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Report on other Legal and Regulatory Requirement

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.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls 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.
 - (g) With respect to the other matters to be included in the Auditors' 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 knowledge and belief and according to the information and explanations given to us:
 - (i) The Company has disclosed the impact, if any, of pending litigations as at March 31, 2024 on its financial position in its standalone financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2024.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period ended March 31, 2024.



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- (iv) a. The management has represented that, to the best of its knowledge and belief other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities, with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner by or behalf of the Company (Ultimate beneficiaries) or provide any guarantees, security or the like on behalf of the ultimate beneficiaries.
- b. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- (v) The Company has not declared any dividend during the Year, so reporting under this clause for compliance with section 123 of the Companies Act, 2013, is not applicable.
- (vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account for the financial year ended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.



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2. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

3. With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act, as amended:

In our opinion and according to the best of our information and explanation given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

Kolkata
Date: 10th May, 2024



For Neha Bothra & Company
Chartered Accountants
FR No.326938E

N. Bothra

Neha Bothra
Partner

Mem No- 067036
UDIN: 24067036BKCZAT6580

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(Chartered Accountants)

Annexure A to Independent Auditors' Report

Referred to in paragraph 1(f) of the Independent Auditors' Report of even date to the members of Birla Tyres Limited on the standalone financial statements for the year ended March 31, 2024.

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

We have audited the internal financial controls over financial reporting of **Birla Tyres Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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



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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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.



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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, 2024, 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.

For Neha Bothra & Company
Chartered Accountants
FR No.326938E



Kolkata
Date: 10th May, 2024

N. Bothra.

Neha Bothra
Partner

Mem No – 067036
UDIN: 24067036BKZAT6580

Annexure B to Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Birla Tyres Limited of even date.)

- i. In respect of the Company's Property, Plant and Equipment:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation, of property, plant and equipment and right-of-use assets.
(B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified 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. The physical verification was carried out by the management of the Company during the year for the purpose of FRS Scheme and Demerger scheme as explained in Emphasis of Matter Paragraph of this report and no material discrepancies was found on such verification.
- (c) According to the information and explanations given to us, NCLT order approving the FRS and Demerger Scheme provided to us, explanation provided in note 4A (ii) of the financial statements and records examined by us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in note 4A to the financial statements, are held in the name of the Company, except for:

Description of Property	Gross Carrying value (Rs. In lacs)	Held in the Name of	Whether Promoter, director or their relative employee	Property held since which date (Appointed date)	Reason for not being held in name of company* Not Disputed
Freehold Land	8,984.60	Kesoram Industries Limited	Title Deed Holder is the Demerged Company.	01 January, 2019	The Tyre business of Kesoram Industries Limited was demerged into a new entity, namely Birla Tyres Limited vide scheme of arrangement (Demerger) sanctioned by NCLT on 8th November, 2019. Further, The Company (Corporate

					<p>Debtor) had undergone the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 which was initiated on 5th May 2022. The Resolution Plan dated 27th March 2023 and modified as on 27th July 2023 ('Approved Resolution Plan') submitted by Dalmia Bharat Refractories Limited (successful Resolution Applicant) along with Himadri Speciality Chemical Ltd as 'Strategic Partner' was approved by the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT') on 19th October 2023. With respect to NCLT Order, approving the Financial Restructuring Scheme, necessary directions would be given for mutation of the land where the land is in possession of Corporate Debtor but not registered in its name without payment of any mutation fees, charges etc. Further, as per the said order, Resolution Applicant has received all the rights, titles, entitlements and interest in every part of the Corporate Debtor.</p>
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- (d) According to the information and explanations given to us and records examined by us, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2024.
- (e) According to the information and explanations given to us and records examined by us there are no proceedings initiated or pending against the company for holding any Benami property under the Benami Transactions

(Prohibition) Act, 1988(45 of 1988) and rules made thereunder and hence, reporting under this clause is not applicable to the company.

- ii. In respect of the Company's Inventory and working capital;
- a) The company does not have any inventory, hence reporting under this clause of CARO 2020 is not applicable.
- b) As per the information's and explanations given to us by the management there has been no sanction of working capital limits in excess of 5 crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; hence reporting under this clause is not applicable to the company.
- iii. The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under this clause is not applicable.
- iv. In our opinion, and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under Section 185 of the Act, however provisions of section 186 of the Act in respect of loans granted to other body corporate have been duly complied with.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amount which are deemed to be deposit. Hence, reporting under clause (v) of the order is not applicable.
- vi. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act. Hence, reporting under this clause is not applicable.
- vii. According to the information and explanations given to us in respect of statutory dues:
- (a) Amounts deducted or accrued in the books of account in respect of undisputed statutory dues including Goods and Service tax (GST), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with appropriate authorities.

No undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.



- (b) There are no disputed statutory dues that have not been deposited as on 31st March, 2024.
- viii. According to the information and explanation given to us and the records examined by us, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income-tax Act, 1961 as income during the year.
- ix. According to the records of the Company examined by us and the information and explanation given to us:
- a. The Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender as at the Balance Sheet date.
 - b. The company has not been declared willful defaulter by any bank or financial institution or other lender.
 - c. In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
 - d. According to the information and explanations given to us and on an overall examination of the financial statements of the company we report that no funds raised on short term basis have been used for long term investment by the Company.
 - e. According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not formed any subsidiaries, associates or joint ventures and hence reporting under clause ix(e) of CARO 2020 is not applicable to the company
 - f. The company has not formed any subsidiaries, associates or joint ventures and hence reporting under clause ix(f) of CARO 2020 is not applicable to the company.
- x. (a) According to the information and explanation given to us, no money has been raised by way of Initial Public Offer or Further Public Offer (including debt instrument) and term loans have been applied for the purposes for which they were obtained.
- (b) During the year the company has made private placement of optionally convertible debentures. The optionally convertible debentures have been issued as per Resolution Plan approved by the Hon'ble NCLT dated 19th October, 2023. Accordingly, the requirements of section 42 and 62 of the Companies Act, 2013 have been complied with. Further, the funds raised have been used for the purposes for which the funds were raised.



- xi. (a) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the period, nor have we been informed of any such case by the management.
- (b) We have not filed any report under sub section (12) of section 143 of the companies Act in Form ADT-4 and hence reporting under clause [xi(b)] of CARO2020 is not applicable to the company.
- (c) As per the information and explanation given to us by the company there are no whistle blower complaints received during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanation given to us the company is in compliance with section 177 and 188 of Companies Act, 2013, where applicable, for all transaction with the related parties and the details of related party transaction have been disclosed in the financial statement as required by the applicable standards.
- xiv. (a) In our opinion and according to the information and explanation given to us the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports issued to the company during the year and covering the period up to 31st March, 2024.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of Section 192 of the Companies Act are not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b), (c) and (d) of the Order is not applicable.



- xvii. According to the books examined by us, the Company has incurred cash losses during the immediately preceding financial year and current financial year. The calculation is as follows: -

Particulars	2023-24 (Rs.in Lakhs)	2022-23 (Rs. In Lakhs)
Net Cash Losses	122.33	24059.46

- xviii. There has been no resignation of Statutory Auditors during the year, and hence reporting under Clause (xviii) of the Order, is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. The Company has incurred losses in the immediately preceding three financial years and hence no amount is required to be spent by the Company under sub-section (5) of section 135 of the Act.

Kolkata
Date: 10th May, 2024



For Neha Bothra & Company
Chartered Accountants
FRNo. 326938E

N. Bothra

Neha Bothra
Partner

Mem No – 067036
UDIN: 24067036BKCZAT6580

BIRLA TYRES LIMITED
Balance Sheet as at 31 March 2024

Amount in Rupees lakhs

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Non Current Assets			
(a) Property, plant and equipment	4A	2,089.63	2,113.86
(b) Right to use Assets	4B	-	-
(c) Capital work-in-progress	4C	-	-
Total non-current assets		2,089.63	2,113.86
(2) Current Assets			
(a) Financial assets			
(i) Investments	5	278.21	-
(ii) Cash and cash equivalents	6	31.41	-
(iii) Other financial assets	7	-	1.00
(b) Other Current Assets	8	114.52	-
Total current assets		424.14	1.00
TOTAL ASSETS		2,513.77	2,114.86
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	9(a)	1.00	1.00
(b) Other Equity	9(b)	2,132.13	2,113.86
Total equity		2,133.13	2,114.86
(2) Non Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	10	346.27	-
Total non-current liabilities		346.27	-
(3) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	11a	15.16	-
(ii) Other financial liabilities	i ib	16.10	-
(b) Other current liabilities	12	3.11	-
Total current liabilities		34.37	-
TOTAL EQUITY AND LIABILITIES		2,513.77	2,114.86
Notes forming part of the financial statements	1 -33		

The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

For Neha Bothra & Company
Chartered Accountants
Firm's Registration Number: 326938E

For and on behalf of Board of Directors of
Birla Tyres Limited
CIN: L25209WB2018PLC228915

N. Bothra

Neha Bothra
Partner
Membership No.: 067036



Anurag

Anurag Choudhary
Director
DIN: 00173934

Amit Choudhary

Amit Choudhary
Director
DIN: 00152358

Place: Kolkata
Date : 10 May 2024



BIRLA TYRES LIMITED

Statement of Profit and loss for the year ended 31 March 2024

Amount in Rupees lakhs

Particulars	Notes	Year ended 31 March, 2024	Year ended 31 March, 2023
A Income			
(i) Revenue from operations	13	-	19.74
(ii) Other income	14	3.22	20.00
Total income (+ ii)		3.22	39.74
B Expenses			
(i) Cost of raw materials & components consumed	15	-	-
(ii) Decrease in inventories of finished goods and work-in-progress	16	-	45.15
(iii) Employee benefit expenses	17	0.50	59.90
(iv) Depreciation and amortization expenses	18	24.39	235.73
(v) Finance costs	19	12.04	1,666.24
(vi) Other expenses	20	113.79	22,327.91
Total expenses		150.72	24,334.93
C Profit/(Loss) before tax for the year (A-B)		(147.50)	(24,295.19)
D Tax expenses			
Deferred tax		-	-
Current tax		-	-
Total tax expenses		-	-
E Net Profit/(Loss) after tax for the year (C-D)		(147.50)	(24,295.19)
F Other comprehensive income (Items that will not be reclassified to profit or loss - remeasurements of post-employment benefit obligations)		-	-
Other comprehensive income for the year		-	-
G Total Comprehensive income for the year (E+F)		(147.50)	(24,295.19)
H Earning /(Loss) per equity share	21		
Nominal value of equity shares (Rs 10.00 each)			
Basic Earning per share (Rs)		(1,475.03)	(177.57)
Diluted Earning per share (Rs)		(1,475.03)	(177.57)
I Notes forming part of the financial statements	1-33		

The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

For Neha Bothra & Company

Chartered Accountants

Firm's Registration Number: 326938E

For and on behalf of Board of Directors of

Birla Tyres Limited

CIN: L25209WB2018PLC228915

N. Bothra

Neha Bothra

Partner

Membership No.: 067036

Place: Kolkata

Date : 10 May 2024


Anurag Choudhary

Director

DIN: 00173934

Amit Choudhary

Director

DIN: 00152358



BIRLA TYRES LIMITED**Statement of Changes in Equity for the year ended 31 March 2024****A. Equity share capital**

Amount in Rupees lakhs

Description	Notes	Amount
Balance at 1 April, 2022		14,259.01
Changes in equity share capital	9	(14,258.01)
Balance at 31 March 2023		1.00
Changes in equity share capital	9	-
Balance at 31 March 2024		1.00

B. Other equity

Particulars	Items of Other comprehensive income	Reserves and surplus			Total
	FVOCI - equity instruments	Capital reserve	Equity component of compound financial instruments	Retained earnings	
Balance at 1 April 2022	-	-	-	(1,36,395.88)	(1,36,395.88)
Profit for the year	-	-	-	(24,295.19)	(24,295.19)
Other comprehensive income/(expense)	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(1,60,691.06)	(1,60,691.06)
Transfer pursuant to FRS Scheme [refer note 1(a)]	-	1,64,281.19	-	-	1,64,281.19
Transfer pursuant to Demerger Scheme [(refer note 1(b))]	-	(1,476.27)	-	-	(1,476.27)
Balance at 31 March 2023	-	1,62,804.92	-	(1,60,691.06)	2,113.86
Profit for the year	-	-	-	(147.50)	(147.50)
Other comprehensive income/(expense)	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(147.50)	(147.50)
Deemed equity on fair value of Optionally Convertible Debentures	-	-	165.77	-	165.77
Transfer within equity	-	-	-	-	-
Balance at 31 March 2024	-	1,62,804.92	165.77	(1,60,838.57)	2,132.13

The above statement of changes in equity should be read in conjunction with the accompanying notes.

For Neha Bothra & Company
Chartered Accountants
Firm's Registration Number: 326938E

For and on behalf of Board of Directors of
Birla Tyres Limited
CIN: L25209WB2018PLC228915

N. Bothra
Neha Bothra
Partner
Membership No.: 067036



Place: Kolkata
Date : 10 May 2024

Anurag Choudhary
Anurag Choudhary
Director
DIN: 00173934

Amit Choudhary
Amit Choudhary
Director
DIN: 00152358



BIRLA TYRES LIMITED

Cash Flow Statement for the year ended 31 March 2024

Amount in Rupees lakhs

PARTICULARS	Year ended 31 March 2024	Year ended 31 March 2023
A. Cash Flow from Operating Activities		
Net profit/loss before tax	(147.50)	(24,295.19)
Adjustments for:		
Depreciation and amortisation	24.39	235.73
Provision no longer required written back pursuant to FRS Scheme	-	(21,127.49)
Unrealisable assets written off pursuant to FRS Scheme	-	35,454.21
Provision for impairment of Property, plant and equipment	-	7,837.45
Loss on derecognition of right of use assets	-	(3.30)
Liabilities no longer required written back	-	(19.24)
(Profit)/ Loss on sale of mutual fund	(3.22)	-
Finance costs	12.04	1,666.24
Operating profit/(loss) before working capital changes	(114.29)	(251.59)
Changes in Working Capital:		
Increase / (decrease) in trade and other payables	34.37	(235.16)
(Increase) / decrease in trade and other receivables	(113.52)	9.98
(Decrease in other financial liabilities)	-	(470.34)
(Decrease in Provisions)	-	(21.42)
(Decrease in Other current liabilities)	-	346.02
Decrease in other financial assets and loans	-	(2.24)
Decrease in other non-current assets	-	794.96
(Increase) / decrease in inventories	-	45.13
Cash Generated from Operations	(193.44)	215.36
Direct taxes paid (net of refunds)	-	8.21
Net cash generated/(used) in operating activities	(193.44)	223.57
B. Cash Flow from Investment Activities		
Purchase of fixed assets/Capital Advance given	(0.15)	1.09
ROU/Lease liabilities	-	(3.33)
Purchase of Investments	(350.00)	-
Deposits	-	(3.15)
Sale of Investments	75.00	-
Net Cash Generated/ Used in investing activities	(275.15)	(5.39)
C. Cash Flow from Financial Activities		
Proceeds from issue of optionally convertible debenture	500.00	-
Proceeds from Borrowings (Net)	-	1,446.47
Finance cost paid	-	(1,666.24)
Net Cash Generated/ Used in financial activities	500.00	(219.78)
Net (decrease)/ increase in Cash and Cash Equivalent (A+B+C)	31.41	(1.60)
Cash and Cash equivalent at the beginning of the year	-	12.21
Cash and Cash transferred pursuant to Scheme of Demerger [refer note 1(b)]	-	(10.61)
Cash and Cash equivalent at the end of the year	31.41	-

Note

- Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013.
- The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.
- Cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the Company's cash management.

Figures in bracket represents outflows.

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

As per our report of even date attached

For Neha Bothra & Company

Chartered Accountants

Firm's Registration Number: 326938E

For and on behalf of Board of Directors of

Birla Tyres Limited

CIN: L25209WB2018PLC228915

N. Bothra

Neha Bothra

Partner

Place: Kolkata

Date : 10 May 2024



Anurag Choudhary

Anurag Choudhary

Director

DIN: 00173934

Amit Choudhary

Director

DIN: 00152358



BIRLA TYRES LIMITED
Notes to financial statements for the year ended 31 March 2024
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".

(a) Note on the Resolution Plan and Schedule 7 (Financial Restructuring Scheme- "FRS Scheme") contained therein, approved by the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT') under the Corporate Insolvency Resolution Process

The Company had undergone the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 which was initiated on 5th May 2022. The Resolution Plan dated 27th March 2023 and modified as on 27th July 2023 ('Approved Resolution Plan') submitted by Dalmia Bharat Refractories Limited (successful Resolution Applicant) along with Himadri Speciality Chemical Ltd as 'Strategic Partner' was approved by the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT') on 19th October 2023 ('Order date').

Under the Approved Resolution Plan, the successful Resolution Applicant (99.99%) and the Strategic Partner (0.01%) together became the 100% shareholder of the Company through fresh issue of equity shares.

The Approved Resolution Plan also contains Financial Restructuring Scheme (Schedule 7 of the Approved Resolution Plan) which provides for treatment of select existing assets and liabilities of the Company from the Restructuring Appointed Date (i.e., 5th May 2022) and eventual capital reduction of the share capital of the Company.

The below summary reflects the carrying amount of assets and liabilities of the Company as on 5th May 2022 prior to giving effect of the Financial Restructuring Scheme, the adjustments made as per Financial Restructuring Scheme and the carrying values of assets and liabilities post giving effect of the Financials Restructuring Scheme as on 5th May 2022:

Particulars	Amount in Rupees lakhs			
	Amount as on 5 th May prior to giving effect of the Financial Restructuring Scheme	Financial Restructuring Scheme Accounting Adjustments	Amount as on 5 th May post giving effect of the Financial Restructuring Scheme	Note Reference
ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	36,675.58	-	36,675.58	Note 4A
(b) Capital work-in-progress	33,972.50	-	33,972.50	Note 4C
(c) Other intangible assets	0.00	-	0.00	
(d) Financial assets				
(i) Other financial assets	439.09	-	439.09	
(e) Other non-current assets	5,783.98	-	5,783.98	
Total non-current assets	76,871.15	-	76,871.15	
(2) Current assets				
(a) Inventories	2,784.83	(2,245.02)	539.81	
(b) Financial assets				
(i) Trade receivables	10,325.99	(10,325.99)	-	
(ii) Cash and cash equivalents	10.61	-	10.61	
(iii) Other bank balances	102.78	-	102.78	
(iv) Loans	17.54	(17.54)	-	
(v) Other financial assets	8.42	(2.66)	5.76	
(c) Other current assets	1,734.51	(1,734.51)	0.00	
Total current assets	14,984.68	(14,325.72)	658.95	
Total assets	91,855.83	(14,325.72)	77,530.10	
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	14,259.01	(14,258.01)	1.00	Note 9 (a)
(b) Other equity	(1,46,342.31)	1,49,954.47	3,612.17	Note 9 (b)
Total equity	(1,32,083.31)	1,35,696.46	3,613.17	
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Other financial liabilities	1,324.33	(1,324.33)	-	
(b) Provisions	95.36	-	95.36	
Total non-current liabilities	1,419.70	-1,324.33	95.36	
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	-	-	-	
(ii) Trade payables				
Total outstanding dues of micro enterprises and small enterprises	496.02	(496.02)	-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	25,605.76	(24,257.90)	1,347.86	
(iii) Other financial liabilities	1,82,137.43	(1,14,954.80)	67,182.63	
(b) Provisions	5,280.25	(451.30)	4,828.94	
(c) Other current liabilities	8,999.97	(8,537.83)	462.14	
Total current liabilities	2,22,519.44	(1,48,697.86)	73,821.58	
Total liabilities	2,23,939.14	(1,50,022.19)	73,916.94	
Total equity and liabilities	91,855.83	(14,325.73)	77,530.11	



BIRLA TYRES LIMITED**Notes to financial statements for the year ended 31 March 2024**

Pursuant to Approved Resolution Plan and the Schedule 7 (Financial Restructuring Scheme) therein, the following points are to be noted for the financial year 2022-23:

- 1 Inventories (INR 2,245.02 lakhs), Trade Receivables gross of allowances (INR 29,168.29 lakhs), loan assets (INR 17.54 lakhs), other financial assets (INR 3.66 lakhs) and other current assets (INR 4,019.7 lakhs) total amounting to INR 35,454.21 lakhs have been considered not realisable and therefore been written down from the books of the Company by debiting to the Statement of Profit and Loss of the Company. The provisions made in relation to Trade Receivables (INR 18,842.3 Lakhs), and other current assets (INR 2,285.19 lakhs) have been reversed and credited to the Statement of Profit and Loss of the Company.
- 2 The total Debt of the Company (as appearing in its balance sheet) has been restructured and has been labelled into Sustainable Debt and Unsustainable Debt. Sustainable Debt would mean the sum of the liabilities agreed to be payable under the Resolution Plan and all other liabilities are classified as Unsustainable Debt.
- 3 As per Resolution Plan, the identified Unsustainable Debt amounting to INR 150,022.19 lakhs has been converted into equity shares of the Company.
- 4 1,500,221,943 equity shares of INR 10/- each issued as per note 8 and 142,590,079 equity shares of INR 10/- each held by erstwhile shareholders of the Company, total amounting to INR 164,281.2 lakhs are extinguished and have been transferred to Capital Reserve. Further, pursuant to scheme, the Equity Share Capital comprising of 10,000 shares of INR 10/each have been issued to Successful Resolution Applicant and Strategic Partner.
- 5 The remaining book liabilities (i.e. provisions for warranties and contingencies) not dealt with in earlier steps are part of the Tyre Undertaking amounting to INR 4,922.41 Lakhs.
- 6 Out of the Total Resolution Amount, an amount of INR 500.00 lakhs has been retained in the bank account of the successful Resolution Applicant for the ongoing 'No Work No Pay' litigation pending with the NCLT and shall be distributed either to Employees and Workmen and/or to the Assenting Financial Creditors as per the approved Resolution Plan depending on the NCLT Order on such litigation.
- 7 Also, out of the Total Resolution Amount an amount of INR 3,705.00 lakhs have been held back and have been deposited in a special escrow account maintained with the successful Resolution Applicant. This amount of INR 3,705.00 lakhs shall be utilized towards payment of the pending gratuity dues of the employees of the Company in case the amount in the KICM Gratuity Fund is not realised or not readily available with the Company. Upon realization of KICM Gratuity Fund in the gratuity fund of the Company, the amount of INR 3,705.00 lakhs shall be distributed to the Financial Creditors as per the approved Resolution Plan.



BIRLA TYRES LIMITED**Notes to financial statements for the year ended 31 March 2024**

- (b) Note on the Resolution Plan and Schedule 8 ("Scheme of Demerger" effective from 6th May, 2022) contained therein, approved by the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT') under the Corporate Insolvency Resolution Process.

The Company had undergone the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 which was initiated on 5th May 2022. The Resolution Plan dated 27th March 2023 and modified as on 27th July 2023 ('Approved Resolution Plan') submitted by Dalmia Bharat Refractories Limited (successful Resolution Application) along with Himadri Speciality Chemical Ltd as 'Strategic Partner' was approved by the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT') on 19th October 2023 ('Order date').

Under the Approved Resolution Plan, the successful Resolution Applicant and the Strategic Partner together became the 100% shareholder of the Company through fresh issue of equity shares.

The Approved Resolution Plan also contains the Scheme of Demerger which provides for demerger of the Tyre Undertaking (as defined in the approved Resolution) (Demerged Undertaking) of the Company ("Transferor Company") to Dalmia Bharat Refractories Limited ("Transferee Company" / "Successful Resolution Applicant") with effect from the Demerger Appointed Date, i.e., 6th May 2022.

The Company has given effect to accounting in terms of the approved Resolution Plan and the Scheme of Demerger contained therein as follows:

- (i) Transfer of all the assets and liabilities pertaining to Tyre Undertaking of the Company to Dalmia Bharat Refractories Limited ('DBRL'), on a going concern basis, at carrying value as appearing in the books of the Company on the Demerger Appointed Date i.e., 6th May 2022 as under:

Particulars	Amount in Rupees lakhs	
	Tyre Undertaking (Demerged Undertaking)	
Assets transferred		
Property, plant and equipment		34,539.68
Capital work-in-progress		33,972.50
Other intangible assets		0.00
Other financial assets		439.09
Other non-current assets		5,783.98
Inventories		539.81
Cash and cash equivalents		10.61
Other bank balances		102.78
Other financial assets		4.76
Total assets transferred (A)		75,393.21
Liabilities transferred		
Longterm Provisions		95.36
Trade payables		1,347.86
Other financial liabilities		67,182.63
Provisions		4,828.94
Other current liabilities		462.14
Total liabilities transferred (B)		73,916.93
Net Assets transferred upon Demerger (A-B)		1,476.27
Amount debited to Capital Reserve (A-B)		1,476.27



BIRLA TYRES LIMITED**Notes to financial statements for the year ended 31 March 2024**

- (ii) Analysis of profit/(loss) from Demerged Undertaking (Tyre Undertaking) for the period between 1st April 2022 to 5th May 2022:

		Amount in Rupees lakhs
Particulars		Tyre Undertaking
I	Revenue from operations	19.74
II	Other income	20.00
III	Total Income (I+II)	39.74
IV	Expenses:	
	(a) Cost of materials consumed	-
	(b) Purchases of stock-in-trade	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	45.15
	(d) Employee benefit expense	59.90
	(e) Depreciation and amortisation expense	213.69
	(f) Finance costs	1,666.24
	(g) Other expenses	22,327.91
	Total Expenses	24,312.89
V	Loss before exceptional items and tax (III-IV)	(24,273.15)
VI	Exceptional Items	-
VII	Loss before tax (V+VI)	(24,273.15)

- (iii) The Approved Resolution Plan also contains the Scheme of Arrangement which provides for transfer and vesting of identified assets in relation to the Non-Operational Assets Division (as defined in the approved Resolution Plan) of the Company ("Transferor Company") to Dalmia Mining and Services Private Limited (the "Transferee Company") with effect from the Transfer Appointed Date i.e. 6th May 2022. Thus, Tyre Undertaking is further bifurcated into divisions - Non-Operational Assets Division and Traditional Business as "BIAS Division".



2 Basis of preparation, critical accounting estimates and judgement

The standalone financial statements have been prepared on the following basis:

2.1 Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as the "Ind AS") notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act"), notified under Section 133 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions and presentation requirements of Division II of Schedule III to the Act, as applicable, to the Financial Statements.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for the certain financial assets and liabilities, and equity settled share based payments which have been measured at fair value/amortised cost.

2.2 Basis of preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Functional and presentation currency

These financial statements are presented in Indian rupees, functional currency of the Company. All amounts have been rounded off to two decimal places to the nearest lakhs, unless otherwise stated.

2.3 New or amended Ind AS

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023:

- (i) Ind AS 101 – First-time Adoption of Indian Accounting Standards
- (ii) Ind AS 102 – Share-based Payment
- (iii) Ind AS 103 – Business Combinations
- (iv) Ind AS 107 – Financial Instruments Disclosures
- (v) Ind AS 109 – Financial Instruments
- (vi) Ind AS 115 – Revenue from Contracts with Customers
- (vii) Ind AS 1 – Presentation of Financial Statements
- (viii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- (ix) Ind AS 12 – Income Taxes
- (x) Ind AS 34 - Interim Financial Reporting

The company has applied the amendments, wherever applicable with effect from 1 April 2023.

3 Material Accounting policies

Material accounting policy information has been identified and disclosed based on the guidance provided under Ind AS 1. The material accounting policy information used in preparation of the standalone financial statements have been disclosed in the respective notes.

3.1 Key accounting estimates and judgements

The presentation of financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a. Property, plant and equipment and intangible assets

The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

b. Recognition and measurement of defined benefit obligations

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



BIRLA TYRES LIMITED

Notes to financial statements for the year ended 31 March 2024

c. Fair value measurement of financial instruments

When the fair value of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market price in active markets, their fair value is measured using valuation technique. The input to these models are taken from the observable market where possible, but this is not feasible, a review of judgment is required in establishing fair values. Changes in assumption relating to these assumption could affect the fair value of financial instrument.

d. Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

e. Impairment of Financial and Non-Financial Assets

The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Company assesses at each reporting date whether there is an indication that a Non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount which is higher of an asset's or CGU's fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

f. Recoverability of trade receivables:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

g. Income Tax

The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the special purpose financial statements.

h. Contingencies

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the company as it is not possible to predict the outcome of pending matters with accuracy.

i. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant lease hold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

j. Exceptional items

Exceptional items are those items that management considers, by virtue of their size or incidence, should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Such items are material by nature or amount to the year's result and / or require separate disclosure in accordance with Ind AS. The determination as to which items should be disclosed separately requires a degree of judgement.

3.2 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



Note 4A: Property Plant and Equipment

Accounting Policy

All items of Property, plant and equipment are stated at historical cost net of tax/ duty credit availed which includes capitalised borrowing cost, less depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Expenditure incurred on assets which are not ready for their intended use comprising direct cost, related incidental expenses and attributable borrowing cost are disclosed under Capital Work-in-Progress.

Depreciation on property, plant and equipment (PPE) is provided over the useful life of assets on straight line basis as specified in schedule II to the Act. PPE which are added / disposed off during the year, depreciation is provided pro-rata basis with reference to the month of addition / deletion. Leasehold land is amortised over the period of lease.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear.

Reconciliation of carrying amount

Amount in Rupees lakhs

Particulars	Land	Buildings	Plant and Equipments	Furniture and Fixtures	Office Equipments	Computer & Accessories	Vehicles	Grand Total
Gross carrying amount								
Balance as on April 01, 2022	25,310.00	16,888.09	77,830.89	539.59	267.63	744.72	115.97	1,21,696.88
Additions	-	-	-	-	-	-	-	-
Deletion pursuant to FRS Scheme [refer note 1(a)]	-	-	-	-	-	-	(31.32)	(31.32)
Deletions pursuant to Demerger [refer note 1(b)]	-	-	-	-	-	-	-	-
BIAS Division	(12,428.12)	(15,201.04)	(77,830.89)	(539.59)	(267.63)	(744.72)	(84.65)	(1,07,096.63)
PCR Division	(3,897.28)	-	-	-	-	-	-	(3,897.28)
Balance as on May 06, 2022	8,984.60	1,687.05	-	-	-	-	-	10,671.65
Additions	-	-	-	-	-	-	-	-
Deletion pursuant to FRS Scheme [refer note 1(a)]	-	-	-	-	-	-	-	-
Balance as on March 31, 2023	8,984.60	1,687.05	-	-	-	-	-	10,671.65
Additions	-	-	-	-	0.15	-	-	0.15
Deletion pursuant to FRS Scheme [refer note 1(a)]	-	-	-	-	-	-	-	-
Balance as on March 31, 2024	8,984.60	1,687.05	-	-	0.15	-	-	10,671.80
Accumulated depreciation and amortisation								
Balance as on April 01, 2022	-	9,136.95	66,285.03	472.18	254.45	713.60	110.20	76,972.40
Depreciation for the period from April 01, 2022 to May 05, 2022	-	43.75	163.76	2.17	0.01	0.19	-	209.89
Deletion pursuant to FRS Scheme [refer note 1(a)]	-	-	-	-	-	-	(29.75)	(29.75)
Deletions pursuant to Demerger [refer note 1(b)]	-	-	-	-	-	-	-	-
BIAS Division	-	(8,482.40)	(66,448.79)	(474.35)	(254.46)	(713.79)	(80.45)	(76,454.23)
PCR Division	-	-	-	-	-	-	-	-
Balance as on May 06, 2022	-	698.30	-	-	-	-	-	698.30
Depreciation for the period	-	22.04	-	-	-	-	-	22.04
Balance as on March 31, 2023	-	720.34	-	-	-	-	-	720.34
Depreciation for the year ended March 31, 2024	-	24.38	-	-	0.00	-	-	24.39
Balance as on March 31, 2024	-	744.72	-	-	0.00	-	-	744.73
Impairment								
Balance as on April 01, 2022	-	-	-	-	-	-	-	-
Impairment for the period	7,692.60	144.84	-	-	-	-	-	7,837.44
Balance as on May 06, 2022	7,692.60	144.84	-	-	-	-	-	7,837.44
Impairment for the period	-	-	-	-	-	-	-	-
Balance as on March 31, 2023	7,692.60	144.84	-	-	-	-	-	7,837.44
Impairment for the year ended March 31, 2024	-	-	-	-	-	-	-	-
Balance as on March 31, 2024	7,692.60	144.84	-	-	-	-	-	7,837.44
Net carrying amount								
Balance as on April 01, 2022	25,310.00	7,751.14	11,545.86	67.41	13.18	31.12	5.77	44,724.48
Balance as on May 06, 2022	1,292.00	843.90	-	-	-	-	-	2,135.91
Balance as on March 31, 2023	1,292.00	821.86	-	-	-	-	-	2,113.86
Balance as on March 31, 2024	1,292.00	797.48	-	-	0.15	-	-	2,089.63

(i) The carrying amount of property, plant and equipment post financial restructuring scheme was INR 9,973.35 Lakhs as on May 05, 2022. During the period 1st-April-2022 to 5th-May-2022, the Company has carried out an impairment assessment and recognised an impairment loss of INR 7,837.45 Lakhs, which has been recognized as an expense in "Other expenses" in the Statement of Profit and Loss for the year ended 31st March, 2023. The value has adopted cost approach (replacement method) to arrive at estimated depreciated replacement cost.

(ii) Title deeds of Immovable Property not held in the name of the Company:

Particulars	Description of item of property	Gross carrying value (Rs in Lakhs)	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Title deeds held in the name of	Property held since which date	Reason for not held in the name of the company
Property, plant and equipment	Land	8,984.60	NA	Kesoram Industries Limited	01 January, 2019	As explained below*

* The tyre business of Kesoram Industries Limited was demerged into a new entity, namely Birla Tyres Limited vide scheme of arrangement (Demerger) sanctioned by NCLT on 4th November, 2019. Further, The Company (Corporate Debtor) had undergone the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 which was initiated on 5th May 2022. The Resolution Plan dated 27th March 2023 and modified as on 27th July 2023 ('Approved Resolution Plan') submitted by Dalmia Bharat Refractories Limited (successful Resolution Applicant) along with Himadri Speciality Chemical Ltd as 'Strategic Partner' was approved by the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT') on 19th October 2023. With respect to NCLT Order, approving the Financial Restructuring Scheme, necessary directions would be given for mutation of the land where the land is in possession of Corporate Debtor but not registered in its name without payment of any mutation fees, charges etc. Further, as per the said order, Resolution Applicant has received all the rights, titles, entitlements and interest in every part of the Corporate Debtor.



Note 4B: Right to use Assets

Accounting Policy

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Reconciliation of carrying amount

Particulars	Amount in Rupees lakhs
Gross carrying amount	
Balance as on April 01, 2022	280.73
Additions	
Deletion pursuant to FRS Scheme [refer note 1(a)]	(280.73)
Balance as on May 06, 2022	-
Additions	-
Deletions	-
Balance as on March 31, 2023	-
Additions	-
Deletions	-
Balance as on March 31, 2024	-
Accumulated amortisation	
Balance as on April 01, 2022	271.02
Depreciation for the period from April 01, 2022 to May 05, 2022	3.80
Deletion pursuant to FRS Scheme [refer note 1(a)]	(274.82)
Balance as on May 06, 2022	-
Depreciation during the period	-
Balance as on March 31, 2023	-
Depreciation for the year ended March 31, 2024	-
Balance as on March 31, 2024	-
Net carrying amount	9.71
Balance as on April 01, 2022	-
Balance as on May 06, 2022	-
Balance as on March 31, 2023	-
Balance as on March 31, 2024	-

Note 4C: Capital Work in Progress

Particulars	31st March 2024	31st March 2023
Balance at the beginning of the year	-	33,972.50
Additions	-	-
Deletions pursuant to Demerger [refer note 1(b)]	-	-
BIAS Division	-	(33,972.50)
PCR Division	-	-
Impairment for the year	-	-
Balance at the end of the year	-	-



BIRLA TYRES LIMITED

Notes to financial statements for the year ended 31 March 2024

NOTE 5 : Investments

Accounting Policy

Investment and other Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income or through profit or loss) and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries, the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at cost.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures financial assets at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

b) Compound Financial instruments

Compound financial instruments issued by the company comprises of convertible debentures denominated in INR that can be converted to equity shares at the option of the holder, wherein the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of a compound Financial instrument is initially recognised at the fair value of a similar liability that does not have equity conversion option. The Equity component is initially recognised as the difference between fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

(iii) Derecognition

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.



BIRLA TYRES LIMITED**Notes to financial statements for the year ended 31 March 2024**

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Current Investments**Mutual funds (quoted) carried at fair value through profit or loss**

Particulars	Amount in Rupees lakhs	
	As at March 31, 2024	As at March 31, 2023
Investment in Kotak Liquid Mutual Fund	278.21	-
Total	278.21	-

NOTE 6 : Cash and cash equivalents**Accounting Policy**

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Cash and cash equivalents

Particulars	Amount in Rupees lakhs	
	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Balances with banks		
-On current account	31.41	-
Total	31.41	-

NOTE 7 : Other financial assets - Current**Other financial assets - Current**

Particulars	Amount in Rupees lakhs	
	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless stated otherwise		
Capital contribution receivable pursuant to Demerger Scheme	-	1.00
	-	1.00

NOTE 8: Other current assets

Particulars	Amount in Rupees lakhs	
	As at March 31, 2024	As at March 31, 2023
Statutory Receivables	79.25	-
Advance for Goods & Services	7.77	-
Advances to Employees	-	-
Others	27.50	-
	114.52	-



Birla Tyres Limited**Notes to financial statements for the year ended 31 March 2024****Note 9: Equity share capital and other equity****Note 9 (a): Equity share capital****Authorised equity share capital****Amount in Rupees lakhs**

Particulars	Amount in Rupees lakhs	
	As at March 31, 2024	As at March 31, 2023
1,65,09,00,000 Equity Shares of Rs. 10 each (FY 2022-23 69,99,00,000 Equity Shares of Rs. 10 each)	1,65,090	69,990
	1,65,090	69,990

The Authorised Share Capital has been subsequently increased to 1,65,09,00,000 shares of Rs 10 each on basis of information provided to registrar pursuant to the approval of scheme of arrangement by National Company Law Tribunal, Kolkata.

Issued, subscribed and paid-up equity share capital**Amount in Rupees lakhs**

Particulars	Amount in Rupees lakhs	
	As at March 31, 2024	As at March 31, 2023
10,000 Equity Shares of Rs. 10 each fully paid up	1.00	1.00

The successful Resolution Applicant (SRA) and the Strategic Partner (SP) has infused INR 1,00,000/- and acquire 10,000 equity shares of INR 10 each of the Company. The infusion of funds by the SRA & SP and restructuring of capital structure of the Company has taken place after 31 March, 2023. However, in the financial statement for the year ended 31 March, 2023, the amount is reflected as receivable from SRA & SP and the shares has been allotted to them in the current financial year 2023-24.

(i) Movement in equity share capital

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
Opening balance	10,000	1,00,000	14,25,90,079	1,42,59,00,790
Issued to Creditors pursuant to FRS Scheme [refer note 1(a)]	-	-	1,50,02,71,943	15,00,27,19,430
Shares cancelled pursuant to FRS Scheme	-	-	(1,64,28,62,022)	(16,42,86,20,220)
Shares issued to Resolution Applicants pursuant to FRS Scheme [refer note 1(a)]	-	-	10,000	1,00,000
Closing balance	10,000	1,00,000	10,000	1,00,000

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 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.



Birla Tyres Limited
Notes to financial statements for the year ended 31 March 2024

(ii) Note on optionally convertible debentures (OCDs):

As per Resolution Plan approved by the Hon'ble NCLT and resolution passed in Monitoring Committee Meetings, it is resolved that pursuant to Step 2 of Schedule 2 Implementation Provisions of Resolution Plan, SRA and SP have proposed to contribute Rs. 1.00 Lakh and Rs. 499.99 Lakhs as the RA Infusion Amount as Fresh Equity Shares and Optionally Convertible Debentures ("OCDs") respectively. Infusion of funds by SRA and SP and restructuring of capital structure of the Company has taken place after NCLT Order date i.e. October 19, 2023.

With respect to RA Infusion Amount towards OCDs has been accounted on the subscription of OCDs by SP. The relevant terms of the OCD are as follows:

Description	Terms
1. Instrument	Optionally Convertible Debentures ("OCD")
2. Coupon	0.01%
3. Face Value	INR 10/- each
4. Issue Price	At face value
5. Tenor	5 Years
6. Terms of Conversion	Convertible at the option of the Debenture Holder at any time within 5 years.
7. Conversion ratio	Each OCDs shall be convertible into one equity share
8. Security	On issue - NA, Upon charge clearance from erstwhile lenders, these unsecured OCDs will be converted into secured OCDs by following due process under applicable law

Note 9 (b): Other Equity

Particulars	Amount in Rupees lakhs	
	As at March 31, 2024	As at March 31, 2023
Capital reserve		
Balance at the beginning of the year	1,62,804.92	-
Add: Capital reserve arising pursuant to FRS Scheme [refer note 1(a)]	-	1,64,281.19
Less: Capital reserve arising pursuant to Demerger Scheme [refer note 1(b)]	-	(1,476.27)
	1,62,804.92	1,62,804.92
Optionally convertible debentures - Equity Component		
Balance at the beginning of the year	-	-
Issued during the year	165.77	-
	165.77	-
Retained earnings		
Balance at the beginning of the year	(1,60,691.06)	(1,36,395.88)
Profit for the year	(147.50)	(24,295.19)
	(1,60,838.57)	(1,60,691.06)
Total other equity	2,132.13	2,113.86



BIRLA TYRES LIMITED**Notes to financial statements for the year ended 31 March 2024****NOTE 10 : Borrowings****Accounting Policy**

Financial liabilities and Equity

(i) Classification as debt or equity

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

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

(ii) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

(iii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Borrowings: Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit and loss over the period of the borrowings using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawdown. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawdown, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Non Current Borrowings**Amount in Rupees lakhs**

Particulars	Amount in Rupees lakhs	
	As at March 31, 2024	As at March 31, 2023
Non-current liabilities		
Optionally convertible debentures - Debt Component at Amortised Cost	346.27	-
(49,99,999 Optionally convertible debentures)		
TOTAL	346.27	-



BIRLA TYRES LIMITED
Notes to financial statements for the year ended 31 March 2024

NOTE 11a : Trade payables

Accounting Policy

Trade and other payables: These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Those payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and other payables are subsequently measured at amortised cost using the effective interest rate method.

Trade payables	Amount in Rupees lakhs	
	As at March 31, 2024	As at March 31, 2023
Particulars		
CURRENT LIABILITIES		
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises *	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	15.16	-
Total	15.16	-

* There are no outstanding dues of micro and small enterprises based on information available with the company

Trade Payables aging schedule

Particulars	Amount in Rupees lakhs					
	Outstanding for following periods from due date of payment					
	Not Due	Less than a year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2024						
MSME	-	-	-	-	-	-
Others	-	15.16	-	-	-	15.16
Disputed dues MSME	-	-	-	-	-	-
Disputed dues Others	-	-	-	-	-	-
Total	-	15.16	-	-	-	15.16
As at 31 March 2023						
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed dues MSME	-	-	-	-	-	-
Disputed dues Others	-	-	-	-	-	-
Total	-	-	-	-	-	-

NOTE 11b : Other financial liabilities - Current

Particulars	Amount in Rupees lakhs	
	As at March 31, 2024	As at March 31, 2023
Other Payables	16.10	-
Total	16.10	-

NOTE 12 : Other current liabilities

Particulars	Amount in Rupees lakhs	
	As at March 31, 2024	As at December 31, 2023
Other current liabilities		
Statutory dues payable	3.11	-
Total	3.11	-



BIRLA TYRES LIMITED
Notes to financial statements for the year ended 31 March 2024

Note 13 - Revenue from operations

Accounting Policy

Revenue recognition and other income:

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The performance obligations in our contracts in respect of exports are fulfilled at the time of shipment of goods to customer and in respect of domestic sales on dispatch from factory.

Revenue is measured based on transaction price which is fair value of the consideration received or receivable, after deduction of any discounts, sales incentives / schemes and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and sales incentives / schemes. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Sale of Goods

Revenue from operations is recognised in respect of export sales on the basis of shipment of goods to customer and in respect of domestic sales on dispatch from factory.

Particulars	Amount in Rupees lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations		
Sale of finished goods	-	19.74
Revenue from operations	-	19.74

Note 14 : Other income

Accounting Policy

Incentives on exports and other Government incentives related to operations are recognised in the statement of profit or loss after due consideration of certainty of utilization/receipt of such incentives.

The quantum of accruals in respect of claims receivable such as from Railways, Insurance, Electricity, Customs Excise and the like are accounted for on receipt basis.

Particulars	Amount in Rupees lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Miscellaneous income	-	0.76
Gain on sale proceeds of current investments measured at fair value through profit or loss	0.12	-
Gain on fair value changes of current investments measured at fair value through profit or loss	3.10	-
Liabilities no longer required written back	-	19.24
Total	3.22	20.00

Note 15 : Cost of raw material and components consumed

Particulars	Amount in Rupees lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Cost of raw material and components consumed		
Inventory at the beginning of the year	-	638.14
Add: Purchase	-	-
	-	638.14
Less: Inventory at the end of the year*	-	638.14
Cost of raw materials & components consumed	-	-

* Inventory as at May 05, 2022 has been written off pursuant to FRS Scheme. The same has been disclosed separately as "Unrealised current assets written off pursuant to Scheme".



BIRLA TYRES LIMITED

Notes to financial statements for the year ended 31 March 2024

NOTE 16 : Decrease in inventories of finished goods and work-in-progress

Particulars	Amount in Rupees lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Decrease in inventories		
Inventories transferred pursuant to Demerger		
Work-in-progress	-	480.88
Finished goods	-	720.71
Total A	-	1,201.59
Inventories at the beginning of the period		
Work-in-progress	-	480.88
Finished goods	-	765.86
Total B	-	1,246.75
Total	-	45.15

Note 17 : Employee benefit expenses**Accounting Policy**

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard (Ind AS)-19 - 'Employee Benefits'.

(i) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.

(ii) Defined contribution plan

Retirement benefits in the form of provident fund, pension scheme and superannuation scheme and ESIC are a defined contribution plan and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the provident fund.

(iii) Defined benefit plan

The Company's liabilities on account of gratuity and earned leaves on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from registered actuary in accordance with the measurement procedure as per Indian Accounting Standard (INDAS)-19- 'Employee Benefits'. Gratuity liability is funded through Gratuity Fund Trust with an insurance company in the form of a qualifying insurance policy. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Accumulated leaves, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method at the year-end.



BIRLA TYRES LIMITED

Notes to financial statements for the year ended 31 March 2024

Particulars	Amount in Rupees lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Employee benefit expenses		
Employee benefit expenses		
Salaries, wages, bonus etc.	-	58.26
Contribution to provident and other funds	-	1.08
Contribution to gratuity fund	0.50	0.52
Staff Welfare Expenses	-	0.04
Total	0.50	59.90

Note 18 : Depreciation and amortization expenses**Accounting Policy**

Depreciation on property, plant and equipment (PPE) is provided over the useful life of assets on straight line basis as specified in schedule II to the Act. PPE which are added / disposed off during the year, depreciation is provided pro-rata basis with reference to the month of addition / deletion. leasehold land is amortised over the period of lease.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear.

Particulars	Amount in Rupees lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation & Amortisation expenses		
Depreciation on tangible assets	24.39	231.93
Amortisation on Right to use Assets	-	3.80
Total	24.39	235.73

The Company charges depreciation of INR 254.58 Lakhs for the year ended March 31, 2023 instead of INR 235.73 Lakhs. The error have bene rectified in the current year financial statement with reinstatement in respective years.

Note 19 : Finance costs

Particulars	Amount in Rupees lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Finance costs		
Interest on borrowings	-	1,666.24
Unwinding of Discount - Optionally Convertible Debentures	12.04	-
Total	12.04	1,666.24



BIRLA TYRES LIMITED

Notes to financial statements for the year ended 31 March 2024

Note 20 : Other expenses**Accounting Policy****Impairment of non-financial assets**

Assets which are subject to depreciation or amortisation 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.

Foreign currency transactions*(i) Initial recognition*

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(ii) Exchange differences

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss are also recognized in other comprehensive income or profit or loss, respectively). Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other finance gains / losses are presented in the statement of profit and loss on a net basis.

Other expenses	Amount in Rupees lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Other Expenses		
Power and fuel	-	15.19
Repairs and maintenance on		
Building	26.79	-
Plant & Machinery	-	0.59
Others	-	0.46
Rent	-	11.71
Payments to Auditors (Refer note a)	9.65	2.64
Rates and taxes	20.54	40.30
Insurance	-	24.69
Exchange loss (net)	-	32.34
Packaging, carriage and shipping	-	3.12
Freight Inward	6.13	-
Advertisement and sales promotion expenses	-	0.24
Loss on derecognition of right of use assets	-	(3.30)
Legal and professional consultancy	27.44	17.50
Guest House Expenses	14.04	-
Finance cost	4.27	-
Miscellaneous Expenses	4.93	7.06
Provision for impairment of Property, plant and equipment	-	7,837.45
Unrealisable assets written off pursuant to FRS Scheme	-	35,454.21
Provision no longer required written back pursuant to FRS Scheme	-	(21,127.49)
Director Fees	-	11.20
Total	113.79	22,327.91



BIRLA TYRES LIMITED

Notes to financial statements for the year ended 31 March 2024

(a) Payment to auditors

Amount in Rupees lakhs

	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditors:		
- Statutory audit fees	4.00	-
- Limited review of quarterly results	1.50	-
- Other audit and Certification fees	4.10	2.64
Reimbursement-Out of pocket expenses	0.05	-
	9.65	2.64

Note 21: Earnings per shares**Accounting Policy**

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

Earnings per shares

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic		
Number of equity shares at the beginning of the year	10,000	14,25,90,079
Number of equity shares at the end of the year	10,000	10,000
Weighted average number of equity shares outstanding during the year	10,000	1,36,82,062
Nominal value of each equity Share (Rs.)	10.00	10.00
Profit / (Loss) for the year (Rs. in lakhs)	(147.50)	(24,295.19)
Earnings per share (Basic) (Rs.)	(1,475.03)	(177.57)
Diluted		
Weighted average number of equity shares outstanding during the year	10,000	1,36,82,062
Profit / (Loss) for the year (Rs. in lakhs)	(147.50)	(24,295.19)
Earnings per share (Diluted) (Rs.)	(1,475.03)	(177.57)
# Optionally Convertible debentures issued during the year are anti-dilutive in nature.		



BIRLA TYRES LIMITED

Notes to financial statements for the year ended 31 March 2024

22 Contingent Liabilities**Accounting Policy**

Contingent liability is disclosed in the notes in case of:

- 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.
- A present obligation arising from past event, when it is not probable that as outflow of resources will be required to settle the obligation.
- A present obligation arises from the past event, when no reliable estimate is possible.
- A present obligation arises from the past event, unless the probability of outflow are remote.

Contingent Liabilities

There is no existing contingent liabilities as on 31.03.2024 (Rs. Nil as on 31.03.2023).

23 Segment Information**Accounting Policy**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker. The Chief Operating Decision-Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer and the Chief Financial Officer that makes strategic decisions.

Segment Information

There are no sales during the year. Hence, segment reporting is not applicable.

24 Related Party Disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

A. Relationships**i. Holding Company**

Dalmia Bharat Refractories Limited

ii Key Managerial Person and Directors

Mr. Shyam Sundar Choudhary

Mr. Anurag Choudhary

Mr. Amit Choudhary

B. The following transactions were carried out with the related parties in the ordinary course of business (Net of taxes):

Name of Related Party	Nature of Transaction	Amount in Rupees lakhs	
		For the year	
		31 March 2024	31 March 2023
Dalmia Bharat Refractories Limited (DBRL)	Issue of Share Capital*	-	1.00
	Received against issue of share capital*	1.00	-
	Gratuity contribution to Trust made by DBRL on behalf of the Company	0.50	-
	TDS paid on behalf of Tyre Undertaking of DBRL	1.78	-
	Payment received from DBRL against reimbursement	1.28	-
	Payment made by DBRL for prepaid rent	27.50	-
	Payment made to DBRL for reimbursement of rent payment	27.50	-

C. Balances outstanding at year end:

Name of Related Party	Nature of Transaction	Amount in Rupees lakhs	
		For the year	
		31 March 2024	31 March 2023
Dalmia Bharat Refractories Limited	Receivable against share capital issued*	-	1.00

*As per the approved Resolution Plan of Birla Tyres Limited the equity share capital were extinguished and fresh share capital of 10,000 equity shares of Rs. 10/- each were issued, out of this 9,999 equity shares was allotted to Dalmia Bharat Refractories Limited -DBRL(Successful Resolution Applicant) and 1 equity share was allotted to Himadri Speciality Chemical Limited -HSCL(Strategic Partner) with retrospective impact dated 6th May 2022.

However, the order of NCLT was pronounced on 19th October 2023, hence, the capital contribution remained outstanding as on reporting date 31st March 2023 and was subsequently paid by DBRL and HSCL on 18th January 2024 and 27th October 2023 respectively.

25 Events occurring After the Balance Sheet date

No other adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements.



26 Financial Risk Management Objectives And Policies

Financial Risk Factors

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks and devise appropriate risk management framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

A. Credit Risk :

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits and other financial instruments.

To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customer Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each quarter end on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 27. The Company evaluates the concentration of risk with respect to trade receivables as low, the trade receivables are located in several jurisdictions and operate in largely independent markets.

Particulars	Amount in Rupees lakhs			
	As at 31 March 2024		As at 31 March 2023	
	Upto 6 months	More than 6 months	Upto 6 months	More than 6 months
Gross carrying amount (A)	-	-	-	-
Expected Credit Losses (B)	-	-	-	-
Net Carrying Amount (A-B)	-	-	-	-

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amounts as illustrated in note 27.

B. Liquidity Risk :

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities and short term loans. The table below summarises the maturity profile of the Company's financial liabilities based on contracted undiscounted payments (excluding transaction cost on borrowings).

Table hereunder provides the current ratios of the Company as at the year end:

Particulars	Amount in Rupees lakhs	
	As at 31 March 2024	As at 31 March 2023
Total current assets	424.14	1.00
Total current liabilities	34.37	-
Current ratio	12.34	NA

The table below summarises the maturity profile of the Company's financial liabilities :

Particulars	Amount in Rupees lakhs			
	Payable on demand	Less than 1 year	More than 1 year	Total
As at 31 March 2024				
Borrowings	-	-	346.27	346.27
Other financial Liabilities	-	16.10	-	16.10
Trade and other payables	-	15.16	-	15.16
Total	-	31.26	346.27	377.53



BIRLA TYRES LIMITED

Notes to financial statements for the year ended 31 March 2024

C. Market Risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that affects its assets, liabilities and future transactions. The Company is exposed to following key market risks:

i. 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 short term borrowings obligations in the form of cash credit and buyer's credit carrying floating interest rates.

Particulars	Amount in Rupees lakhs		
	Fixed Rate Borrowing	Variable Rate Borrowing	Total Borrowing
As at March 31, 2024	346.27	-	346.27
As at March 31, 2023	-	-	-

Sensitivity analysis - For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

Sensitivity on variable rate borrowings	Amount in Rupees lakhs	
	Impact on Statement of Profit & Loss For the year ended 31 March 2024	For the year ended 31 March 2023
Interest rate increase by 1%	-	-
Interest rate decrease by 1%	-	-

ii. Foreign Currency Risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated borrowings and foreign payables on account import of raw materials and other consumables. This foreign currency risk is covered by using foreign exchange forward contracts.

The details of foreign currency exposure is as follows:

Particulars	Foreign Currency (FC)	FY 2023-24 (in lakhs)		FY 2022-23 (in lakhs)	
		In FC	In Rs.	In FC	In Rs.
Unhedged Foreign Currency					
Trade Payables	USD	-	-	-	-
Trade Receivable	USD	-	-	-	-
Advances received from customers - Export	USD	-	-	-	-
Hedged Foreign Currency					
Trade Payables	USD	-	-	-	-



BIRLA TYRES LIMITED

Notes to financial statements for the year ended 31 March 2024

Rate Sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

Particulars	Increase / Decrease in basis points	Amount in Rupees lakhs	
		Impact on Profit & Loss Account	
		For the year ended 31 March 2024	For the year ended 31 March 2023
USD Sensitivity	+1% -1%	- -	- -

* Holding all other variable constant

27 Financial Instrument - Disclosure

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard

Financial Assets

S. No.	Particulars	Note	Fair value hierarchy	Amount in Rupees lakhs			
				As at March 31, 2024		As at March 31, 2023	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	Financial assets designated at fair value through profit and loss						
	Current						
	- Investment in mutual funds	A	Level-1	278.21	278.21	-	-
2	Financial assets designated at amortised cost	B	Level 2				
	Current						
a)	Cash & Cash Equivalents*			31.41	31.41	-	-
b)	Other financial assets*			-	-	1.00	1.00
				309.62	309.62	1.00	1.00



BIRLA TYRES LIMITED

Notes to financial statements for the year ended 31 March 2024

Financial Liabilities

S. No.	Particulars		Fair value hierarchy	Amount in Rupees lakhs			
				As at March 31, 2024		As at March 31, 2023	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	Financial liability designated at amortised cost	B					
	Non-Current						
	- Borrowings		Level-2	346.27	346.27	-	-
	Current						
	- Trade payables*		Level-2	15.16	15.16	-	-
	- Other financial liability*			16.10	16.10	-	-
				377.53	377.53	-	-

*Represents financial assets and liabilities whose carrying amount is a reasonable approximation of their respective fair value.

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

- A Company has opted to fair value its mutual fund investment through profit & loss.
- B Company has adopted effective rate of interest for calculating Interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

* The carrying amounts are considered to be the same as their fair values due to short term nature.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

28 Capital Management

For the purpose of the Company's capital management, equity includes issued equity capital, securities premium, capital suspense and all other equity reserves attributable to the equity shareholders and net debt includes interest bearing loans and borrowings less cash and cash equivalents. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Particulars	As at 31 March 2024	As at 31 March 2023
Debt	346.27	-
Cash & bank balances	31.41	-
Net Debt	314.86	-
Total Equity	2,133.13	2,114.86
Net debt to equity ratio (Gearing Ratio)	0.15	NA

^ Debt is defined as long-term and short-term borrowings



BIRLA TYRES LIMITED

Notes to financial statements for the year ended 31 March 2024

29. Financial performance ratios

Sf. No.	Ratios	Numerator	Denominator	March 31, 2024	March 31, 2023	% change
1	Current ratio	Current assets	Current liabilities	12.34	NA	100.00%
2	Debt equity ratio	Total debt = [Long term borrowings including current maturities + current borrowings]	Total Equity = Issued share capital + Other equity	0.16	-	100.00%
3	Debt Service Coverage Ratio	Earnings available for debt service = Profit before tax - gain on disposal of discontinued operation + finance costs + depreciation and amortisation expense	Debt service = Finance costs for the year + interest capitalised + scheduled principal repayments of long term borrowings (excluding prepayment/ re-financing) during the year)	(9.22)	(13.44)	-31.37%
4	Return on equity	Net profits after taxes	Average total equity	-6.94%	-0.003%	203672.78%
5	Inventory Turnover ratio	Revenue from operations	Average inventory	-	0.87	-100.00%
6	Trade receivables turnover ratio	Revenue from sale of products and services (credit sales)	Average Accounts Receivable + Average rebate to customers	-	-	NA
7	Trade payables turnover ratio	Net purchases of goods = Purchase of raw materials included in cost of raw materials consumed + Purchases of stock in trade	Average Trade Payables	-	-	NA
8	Net capital turnover ratio	Revenue from sale of products and services (excluding subsidies)	Working capital = Current assets - Current liabilities	-	39.48	-100.00%
9	Net profit ratio	Net profit after tax	Revenue from operations	-	-123065%	-100.00%
10	Return on capital employed	Earnings before interest and taxes (including other income)	Capital Employed = Average total equity excluding fair value of investments through OCI + Average Total Debt	-5.90%	-0.0032%	185686.75%
11	Return on investment	Interest income on fixed deposits, bonds + dividend income + profit on sale of investments + fair valuation gain of investments carried at FVTPL + fair valuation gain of investment carried at FVTOCI	Current investment + Non current investments + other bank balances	1.16%	-	NA

Explanations for change in ratio by more than 25%:

All the ratios of the Company have materially Changed primarily due to demerger and financial restructuring scheme approved by NCLT. Accordingly, the ratios are not comparable.



30. Other statutory information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company has not entered into any scheme of arrangement approved by the competent authority in terms of section 232 to 237 of the Companies Act 2013 during the year ended March
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year
- (v) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017
- (x) The Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

31. The financial statements of the Company for the period from 1st April, 2022 upto 31st March 2023 have been restated and approved by the Board of Directors on same date i.e. 10th May, 2024 to give impact of the aforesaid NCLT order dated 19 10 2023. Accordingly, comparative figures for previous year are on the basis of restated financial statements prepared by the management in view of the Schemes as stated in note no 1(a) and 1(b)

32. Pursuant to the FRS Scheme vide NCLT order dated 19th October, 2023, in respect of satisfaction of charges, the same is under process

33. The figures for the corresponding previous year are not strictly comparable to each other due to the Schemes as stated in note no 1(a) and 1(b)

As per our report of even date
For **Neha Bothra & Company**
Chartered Accountants
Firm's Registration Number: 326938E

For and on behalf of Board of Directors of
Birla Tyres Limited
CIN: L25209WB32018PLC228915



N. Bothra

Neha Bothra
Partner
Place: Kolkata
Date: 10 May 2024

Anurag Choudhary
Director
DIN: 00173934

Amit Choudhary
Director
DIN: 00152358

