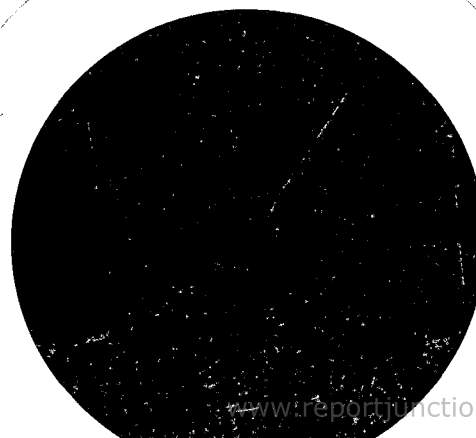
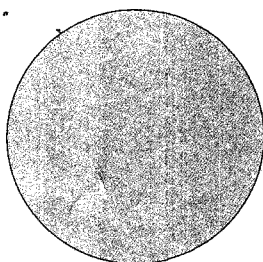
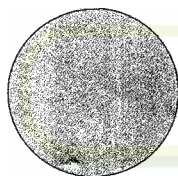
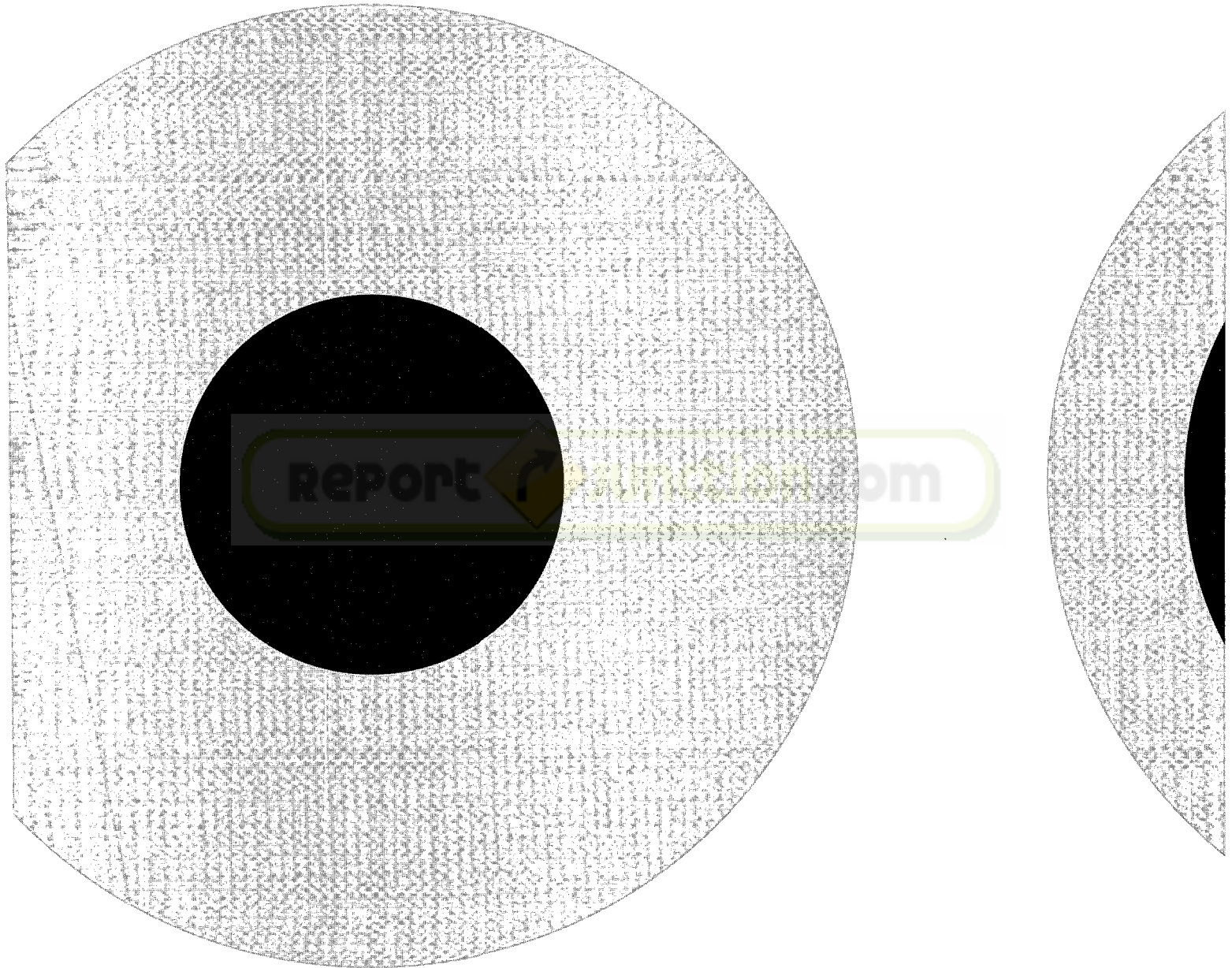


Apollo Tyres Ltd.

ANNUAL REPORT 08-09

**apollo**







# apollo

With every new day comes a new challenge.

Today, we are in a global environment where we need to turn adversity into opportunity. Where we need to strive, show resilience, stand up and be counted. So that we can wake up each day and believe that 'what we do today, will make a better tomorrow'.

Report  Junction.com





Apollo Tyres Ltd.

Regd.Office: 6th Floor, Cherupushpam Building, Shanmugham Road, Kochi-682 031 (Kerala)

## NOTICE

**NOTICE** is hereby given that the thirty sixth annual general meeting of the members of **APOLLO TYRES LTD.** will be held as under: -

<b>DAY</b>	:	Thursday
<b>DATE</b>	:	23 <sup>rd</sup> July, 2009
<b>TIME</b>	:	10.00 A.M.
<b>PLACE</b>	:	Kerala Fine Arts Theatre, Fine Arts Avenue, Foreshore Road, Ernakulam, Kochi (Kerala)

To transact the following business:-

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited accounts of the company for the year ended 31st March, 2009 and the report of the directors and of the auditors thereon.
2. To declare Dividend on equity shares.
3. To appoint a director in place of Mr.L.C.Goyal, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr.K.Jacob Thomas, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a director in place of Mr.M.R.B.Punja, who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint a director in place of Mr.Shardul S.Shroff, who retires by rotation, and being eligible, offers himself for re-appointment.
7. To appoint auditors and to fix their remuneration by passing the following resolution as an ordinary resolution with or without modification(s):-

"RESOLVED THAT M/s.Deloitte Haskins & Sells, Chartered Accountants, the retiring auditors, be and are hereby re-appointed as auditors of the company to hold office until the conclusion of the next annual general meeting of the company for auditing the accounts of the company for the financial year 2009-2010 and the Board of Directors/Committee of the Board be and are hereby authorized to fix their remuneration plus travelling and other out of pocket expenses incurred by them in connection with statutory audit and/or continuous audit and also such other remuneration, as may be decided to be paid by the Board/Committee of the Board, for performing duties other than those referred to herein above."

### SPECIAL BUSINESS:

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution: -

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as 'the Act' including any modification(s) or re-enactment(s) thereof for the time being in force) and subject to the approval(s), as may be required, of the financial institutions and other lenders who have granted term loans to the company, Mr.U.S.Oberoi, Chief (Corp.Affairs) and Whole Time Director be and is hereby re-appointed as a whole time director of the company for a period of five years with effect from 26th November, 2009, with such designation as the Chairman & Managing Director/Vice Chairman & Managing Director may decide from time to time and for payment of remuneration, perquisites and terms and conditions as set out in the explanatory statement attached to this notice.

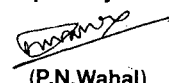
RESOLVED FURTHER THAT the board of directors of the company (hereinafter referred to as 'the board' which term shall be deemed to include any committee thereof for the time being exercising the powers conferred on the board by this resolution) be and is hereby authorised to vary and/or modify the terms and conditions of appointment including remuneration and perquisites payable to Mr.U.S.Oberoi, Chief (Corp.Affairs) and Whole Time Director in such manner as may be agreed to between the board and Mr.U.S.Oberoi, Chief (Corp.Affairs) and Whole Time Director within and in accordance with the limits prescribed in Schedule XIII of the Act or in accordance with the changes that may be effected in Schedule XIII of the Act and/or any amendments and/or modifications that may be made by the Central Government in that behalf from time to time or any amendments or re-enactment of the relevant provisions of the Act.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, Mr.U.S.Oberoi, Chief (Corp. Affairs) and Whole Time Director be paid the salary and perquisites as minimum remuneration not exceeding the limits specified

under sub paragraph (A) of paragraph 1 of section II of part II of Schedule XIII of the Act by making such compliances as provided in the said Schedule.

RESOLVED FURTHER THAT the board be and is hereby authorized to do all such acts and things as, in its absolute discretion, it may be considered necessary, expedient or desirable, including power to sub-delegate, in order to give effect to the foregoing resolution or otherwise considered by the board to be in the best interest of the company."

By order of the Board  
For Apollo Tyres Ltd.



(P.N.Wahal)

Company Secretary

Place : Gurgaon  
Dated : 29th April, 2009

## NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member of the Company. The enclosed proxy form, if intended to be used, should reach the registered office of the Company duly completed not less than forty eight hours before the scheduled time of the meeting.
2. The Register of Members and Share Transfer Books shall remain closed from 1<sup>st</sup> July, 2009 to 23<sup>rd</sup> July, 2009 (both days inclusive) for payment of dividend on equity shares. In respect of shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the respective depositories for this purpose.
3. Please bring your copy of the annual report to the meeting.
4. The relevant explanatory statement pursuant to section 173 (2) of the Companies Act, 1956, in respect of the special business set out above is annexed hereto.
5. All documents referred to in the notice are open for inspection at the registered office of the Company between 11.00 a.m. to 5.00 p.m. on any working day prior to the date of the meeting and also at the meeting venue.
6. Members intending to require information about accounts to be explained at the meeting are requested to write to the Company at least ten days in advance of the AGM.
7. Information under clause 49 of the listing agreement with the stock exchanges in respect of directors seeking appointment/re-appointment at the annual general meeting (Item Nos. 3 to 6 and 8 of the notice) is given after the explanatory statement.
8. The shares of the Company are under compulsory demat list of SEBI w.e.f. November 11, 1999. The trading in equity shares can now be only in demat form. In case you do not hold shares in demat form, you may do so by opening an account with a depository participant and complete dematerialization formalities.
9. The members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, change in name etc. to their depository participant (DP). These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the members.
10. Members holding shares in the same name(s) under different folios are requested to apply for consolidation of such folios and send relevant share certificates.
11. Those members who have so far not encashed their dividend warrants for the below mentioned financial years, may claim or approach the Company for the payment thereof as the same will be transferred to the "Investor Education and Protection Fund" of the Central Government pursuant to Section 205C of the Companies Act, 1956 on the respective dates mentioned there against. Kindly note that after such transfer, the members will not be entitled to claim such dividend.

### Financial Year Ended

### Due date of Transfer

31.03.2002	23.09.2009
31.03.2003	31.07.2010
31.03.2004	22.07.2011
31.03.2005	27.07.2012
31.03.2006	30.08.2013
31.03.2007	30.03.2014
31.03.2008	19.08.2015

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956****Item No. 8**

At the annual general meeting held on 19th July, 2004, Mr. U.S. Oberoi, Chief (Corp.Affairs) of the company was appointed as a Whole Time Director for a period of 5 years effective from 26th November, 2004. The present tenure of Mr. U.S. Oberoi as a Whole Time Director will expire on 25th November, 2009. The board of directors of your company at the board meeting held on 29th April, 2009 have approved the re-appointment of Mr. U.S. Oberoi as a Whole Time Director for a further period of 5 years w.e.f. 26th November, 2009 on the following terms and conditions :-

1. Salary: Rs. 2.22 lac per month with suitable increases as may be determined by the Chairman & Managing Director/Vice Chairman & Joint Managing Director of the company from time to time, not exceeding 50% increase in salary by way of annual increment each year.
2. Performance bonus/commission: Performance bonus of Rs. 2.70 lac p.m. or such higher amount as may be decided by Chairman & Managing Director/Vice Chairman & Joint Managing Director of the company, from time to time, based on certain performance criteria.

or

Commission as may be decided from time to time, by Chairman & Managing Director of the company, subject to an overall ceiling of 1% of the net profits of the company, computed in the manner laid down in section 309 (5) of the Companies Act, 1956 subject to a ceiling limit of 300% of the annual salary.

3. Perquisites, Allowances & other Benefits: Mr. U.S. Oberoi shall be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, reimbursement of expenses or allowances for gas, electricity, water, furnishings, repairs, servant salary, medical reimbursement, leave travel concession, club fee, medical/accident insurance and such other perquisites and allowances as may be allowed under the company's rules/schemes and available to other employees of his category, restricted to an amount not exceeding 300% of annual salary.

The above perquisites shall be allowed in addition to the salary, to be evaluated as per Income Tax rules wherever applicable, and in the absence of any such rule, perquisites shall be evaluated at actual cost.

4. Other benefits :
  - a) Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these, whether singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity payable shall be in accordance with the rules of the company.
  - b) Earned Leave: On full pay and allowances as per the rules of the company.
  - c) Encashment of leave at the end of the tenure, in accordance with the rules of the company, if any, will not be included in the computation of the ceiling on perquisites.
  - d) Provision of car(s) for use on company's business and telephones at residence.
5. The appointee shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the company.
6. The above remuneration payable to Mr. U.S. Oberoi, Chief (Corp.Affairs) and Whole Time Director is subject to the condition that the total remuneration including performance bonus/commission and all the perquisites as mentioned above shall not exceed 5% of the net profits for one such director and if there is more than one such director, 10% for all of them together in accordance with section 198 and 309 of the Act, or any amendment thereto or any other provisions as may be applicable.
7. Notwithstanding any thing to the contrary contained herein, where in any financial year, during the currency of tenure of the appointee, the company has no profits or its profits are inadequate, the company will pay salary and perquisites and allowances as specified in Schedule XIII to Mr. U.S. Oberoi as minimum remuneration, subject to other compliances of Schedule XIII of the Act.
8. The appointee shall, subject to the applicable provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), also be eligible for housing, education and medical loan and other loans or facilities as applicable in accordance with the rules of the company.
9. Mr. U.S. Oberoi, Chief (Corp.Affairs) is appointed by virtue of his employment in the company and the appointment is subject to the provisions of section 283(1) of the Act.

The resolution for re-appointment of Mr. U.S. Oberoi as Whole Time Director requires approval of the company in general meeting in pursuance of sections 198, 269, 309 and 311 read with Schedule XIII of the Companies Act, 1956.

Your directors recommend the resolution set out at item no. 8 of the notice for your approval by way of an ordinary resolution.

No other director except Mr. U.S. Oberoi is interested in the resolution.

The explanatory statement read with the proposed resolution may be treated as an abstract of the terms of re-appointment and memorandum of interest under section 302 of the Companies Act, 1956

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES****Item No.3**

Mr. L.C.Goyal, aged about 54 years, has been nominated on the Board by Govt. of Kerala with effect from 23rd October, 2008. He is the Principal Secretary (Finance) with Kerala Govt. and a senior bureaucrat with vast experience in civil services. Mr. L.C. Goyal holds Directorship in PTL Enterprises Ltd and Kerala State Industrial Development Corporation.

He is not holding any shares of the Company.

**Item No. 4**

Mr. K.Jacob Thomas, aged about 73 years is the Managing Director of Vaniampara Rubber Co. Ltd. and Comfoam Ltd. He is also on the board of PTL Enterprises Ltd. and Vanrub Pvt. Ltd. and holds Chairmanship of Audit Committee of PTL Enterprises Ltd. He has vast experience in rubber plantation business. He is on the Board of Apollo Tyres Ltd. since incorporation of the Company.

He is holding 4,42,050 equity shares of the Company.

**Item No. 5**

Mr. M.R.B. Punja, aged about 83 years and is on the board of your company since 1987. Mr. M.R.B. Punja is a former Chairman of Industrial Development Bank of India (IDBI). He is not holding any shares of the Company.

He is the Chairman of Andhra Petrochemicals Ltd. and Suprajit Engineering Ltd. and he is on the Board of other companies which includes Hindoostan Spinning & Weaving Mills Ltd., Deepak Nitrite Ltd., Chowgule Steamships Ltd., Sushruta Medical Aid & Research Hospital Ltd. and Delite Engineering Pvt. Ltd. He has vast experience in banking, finance and corporate affairs.

Mr.Punja also holds Chairmanship/Membership of Committee in the following companies:-

Audit Committee-Chairman	:	Deepak Nitrite Ltd., Suprajit Engineering Ltd.,
Member	:	Hindoostan Spinning & Weaving Mills Ltd.
Share Transfer-Member	:	Suprajit Engineering Ltd.

**Item No. 6**

Mr. Shardul S.Shroff aged about 54 years is a graduate in commerce from Sydenham College, Mumbai and a Bachelor of Law.

Mr. Shroff has been a practising lawyer with Amarchand & Mangaldas & Suresh A.Shroff since 1980. Amarchand Mangaldas is one of the leading corporate law firms in India today. A managing partner with the firm, Mr. Shroff has vast experience in the areas of corporate and commercial law, joint ventures, project finance, corporate and structured finance, insurance, telecom, mergers & acquisitions, disinvestments and a large body of corporate advisory work across sectors. He has worked very closely on important economic legislations as a member of several high-powered committees appointed by the Government of India. He has the distinction of participating in the formulation and drafting of several important economic legislations of India, by virtue of his membership of several high-powered committees appointed by the Government of India.

He joined the Board of Directors of the company in the year 1997.

Mr.Shroff holds Directorship in Infrastructure Development Finance Co. Ltd., NIIT Ltd., Ballarpur Industries Ltd., Ashok Leyland Ltd., DE Shaw India Advisory Services Pvt. Ltd., Amarchand Towers Property Holdings Pvt. Ltd., Amarchand Mangaldas Properties Pvt. Ltd., PSNSS Properties Pvt. Ltd. and Baghbaan Properties Pvt. Ltd.

Mr.Shroff also holds Membership of Audit Committee of Infrastructure Development Finance Co. Ltd. and NIIT Ltd.

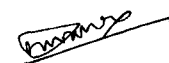
He is not holding any shares of the Company.

**Item No. 8**

Mr. U.S.Oberoi, aged about 65 years is a Commerce Graduate. Mr. Oberoi has more than 43 years experience in marketing, commercial, projects and management affairs. He holds Directorship in PTL Enterprises Ltd., Liberty India Trans Travel (P) Ltd. and Global Propmart Pvt. Ltd.

He is not holding any shares of the Company.

By order of the Board  
For Apollo Tyres Ltd.



(P.N.Wahal)

Company Secretary

Place : Gurgaon

Dated: 29th April, 2009



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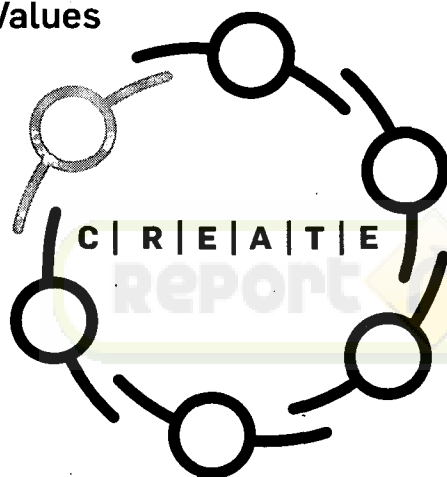
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## VISION-VALUES

### Our Vision

"A significant player in the global tyre industry and a brand of choice, providing customer delight and continuously enhancing stakeholder value"

### Our Values



- C** CARE FOR CUSTOMERS
- R** RESPECT FOR ASSOCIATES
- E** EXCELLENCE THROUGH TEAMWORK
- A** ALWAYS LEARNING
- T** TRUST MUTUALLY
- E** ETHICAL VALUES

### Key Highlights

- Unveiling the new corporate identity that reflects our global vision and showcases Apollo as a young, ambitious, dynamic company, proud to be Indian.
- Featured in the top 20 "Best Companies To Work For" in India, in a survey conducted by Business Today in partnership with Mercer Consulting and TNS.
- In the JD Power India original equipment Total Customer Satisfaction Index Report 2008, Apollo Tyres stood second at 816 points out of 1000.
- The company's world-class, green field facility in Chennai, India will be operational soon. The plant will produce 'top of the line' Truck/Bus Radial Tyres & Ultra High Performance Passenger Car Radial Tyres.
- Apollo rides to Europe with the establishment of the European Technology Center at Russelsheim, Germany.
- Apollo was the only Indian company to be invited by Volkswagen AG to participate in the IZB exhibition in Wolfsburg, Germany. Volkswagen Polo, the best selling car model from Volkswagen, will now roll out on Apollo Tyres for its India launch.
- Integrating the global product portfolio by rebranding the "Dunlop" brand and rolling out new "Dunlop Zones" across South Africa.
- Awarded the Gold certificate for its manufacturing units in December, 2008, at the India Manufacturing Excellence Awards.
- Production of the first ever ultra large size OTR (Off-the-Road) tyre from our flagship plant at Limda which will cater to the present and future needs of the mining industry.
- Apollo Tyres Mission 2018 discovers hidden tennis talent across the country for the second batch in 2008.