

RESPONDING TO CHALLENGES

MD	✓		BKC	✓
CS	✓		DPY	✓
RO	✓		DIV	✓
TRA	✓		AC	✓
AGM	✓	✓	HI	✓
YE	✓	✓		



APOLLO TYRES LTD.

ANNUAL REPORT 1996 - 97



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**STATEMENT CONTAINING PARTICULARS OF EMPLOYEES REFERRED TO IN THE DIRECTORS' REPORT
FOR THE 12 MONTHS ENDED 31ST MARCH, 1997 AND FORMING PART THEREOF**

S. Name No.	Designation	Qualification	Joining Date (Yrs.)	Age (Yrs.)	Exp (Yrs.)	Remuneration (Rs.)	Particulars of Last Employment	Last Designation
Employed throughout the year								
1. Mr. Bahadur Harish	G.M. Accounts & Taxation	B.Com.(H)	02.02.75	45	21	554,160	—	—
2. Mr. Bajaj Kishore Kumar	State incharge-Haryana	B.Sc. PGDBM	19.01.96	38	16	354,447	Usha International	Divisional Head
3. Mr. Bhaskaran M	DGM-Engineering	B.Sc. (ENGG), MBA(Ind. MGT)	03.06.91	53	31	380,430	Travancore Cochin Chemicals Ltd.	General Manager
4. Mr. Chadha Rajinder Singh	Sr. Manager-IS	B.Sc.	02.02.87	39	18	348,821	Bombay Tyres Int. Ltd.	District Sales Supervisor
5. Mr. Chopra Anil	DGM-Commercial	B.Com. ACA	18.08.92	42	17	361,563	Altos India Ltd.	Manager-Fin. & Accounts
6. Mr. Chowdhary P.K.	President & Wholetime Director	B.Sc.(Hons)	17.02.75	46	26	1,925,431	J.K. Industries Ltd.	Officer on Spl. Duty
7. Mr. Dawar A.K.	Sr. Manager-Technical	M.Sc.	28.06.93	45	25	304,291	MRF Ltd.	Product Dev. Manager
8. Mr. Dhawan R.K.	GM-Linda Plant	B.Sc.	31.05.95	52	31	759,183	Modistone Ltd.	Manager-Ser. & Devpt.
9. Mr. Dora J.P.	Zonal Manager-North	Matric	14.12.79	53	27	375,800	J.K. Industries	PA to Director Mktg.
10. Mr. Duggal R.S.	EA to Chairman & MD	B.Com. MBA	02.11.87	46	25	543,841	BST Manufacturing Ltd.	General Manager
11. Mr. George M.V.	Sr. Manager-Finance	B.Sc., ACA	02.03.92	51	22	347,804	Saudia Tug Services (Saudi Arabia)	Manager (Finance)
12. Mr. Girish A.S.	DGM-Prod & IR	B.Sc., LLB, MSW	18.08.94	41	18	449,829	English Clams Ltd.	Manager - P & A
13. Mr. Goyal V.P.*	Vice President	M.Com, LLB, FCS, MIMA, MICA-GB	18.06.83	53	36	708,976	Shriram Pistons & Rings Ltd.	Company Secretary & DGM-Admin
14. Mr. Gupta Arup	DGM-QA	B.Sc.	16.11.76	51	32	381,087	Inchek Tyres Ltd.	Divisional Manager
15. Mr. John John M.	DGM-Manufacturing	M.Sc. (ME)	21.10.76	44	21	350,264	—	—
16. Mr. Kanjolia M.P.	DGM-Technical	B.Tech (Chem)	29.07.95	42	21	404,428	J.K. Industries Ltd.	Chief Technical Manager
17. Mr. Kanwar O.S.	Vice Chairman & MD	B.Sc. Bach of Admn. (Calif)	01.02.88	55	35	2,778,124	BST Manufacturing Ltd.	MD
18. Mr. Kartha K.K.	GM-Commercial	B.A. AICWA	15.12.93	55	33	486,856	J.K. Industries Ltd.	GM-Materials
19. Mr. Kumar Pradeep	Sr. Manager-Secretarial	B.Com, LLB, ACS	03.09.84	44	22	346,407	East India Syntex Ltd.	Asst. Company Secretary
20. Mr. Kumar R. Mohan	DGM-HR	B.Sc LLB, MSW	08.06.95	48	22	378,973	Hindustan Newsprint Ltd.	DGM (P&A)
21. Mr. Kumar S. Gopa	Sr. Manager (Engg.)	B.Sc. Engg., MBA	18.02.91	55	34	301,300	P.I.C. Fertilizers Plants, (Kuwait)	Workshop Engineer
22. Mr. Luthra Deepak	Sr. Manager-Logistics	BE(MECH), ICWA PGD, MM	22.11.94	33	12	356,742	Indo Asian Fuse Gear Ltd.	Manager Materials
23. Mr. Mahajan Satish K.	DGM-Corp. Finance	B.Com(H), ACA	19.02.91	37	12	372,705	Kelvinator India Ltd.	Dy. Manager-Finance
24. Mr. Malhotra K.K.	DGM-Logistic & Planning	B.Sc.	10.11.75	44	24	476,724	Chaman Lines	Supervisor
25. Mr. Mohamed P.K.	VP-Technical	B.Sc. LPRI	01.03.76	58	30	804,759	Premier Tyres Ltd.	Asst. Superintendent-QC
26. Mr. Murali B.R.	Sr. Manager (Eng.)	B.E. (Mech)	19.06.91	50	25	348,271	J.K. Industries Ltd.	Dy. Chief Eng. (Maintenance)
27. Mr. Oberoi U.S.	Sr. V.P. (Mfg. & Proj.) & Whole-Time Director	B.Com	15.07.80	53	33	1,512,408	J.K. Industries Ltd.	Sr. Dist. Mgr.- Sales
28. Mr. Peter George	GM-Commercial	B.E. (Mech.)	01.04.96	40	25	519,509	SRF Ltd.	DGM-Exports
29. Mr. Prabhakar K.	DGM-JV Project	B.Tech., PGDIE, ICWA	11.06.89	42	18	480,670	Sriram Fibres Ltd.	Executive Assistant
30. Mr. Ramaswamy Murli	Sr. Manager-Exports	B.Tech(H), DBA	01.05.91	34	14	308,614	DCM Toyota Ltd.	Officer on Spl. Duty
31. Mr. Saxena R.L.	GM-Mktg. & Sales	B.E. PGDM	15.03.96	40	16	535,977	LML Ltd.	DGM-Marketing
32. Mr. Sharma A.K.	Sr. Manager-Accounts	B.Com. ACA	07.01.80	52	33	399,198	A.K. Sharma & Co (Chartered Accts.)	Proprietor
33. Mr. Sharma Mahesh K.	Sr. Manager-Excise	M.A. LLB, DIP (PM&IR)	29.09.94	39	11	417,747	Reckitt & Col. of India Ltd.	Manager-Legal & Excise
34. Mr. Sharma S.K.	GM-Legal	B.Sc., LLB, DLL (LW, PM)	12.10.88	49	27	649,476	Shriram Fer. and Chem. Ltd.	Sr. Manager-Admn

S. Name No.	Designation	Qualification	Joining Date	Age (Yrs.)	Exp (Yrs.)	Remuneration (Rs.)	Particulars of Last Employment	Last Designation
35. Mr. Simmons Ronald	AVP-Kalamassary Plant	B.Sc.	01.10.94	56	33	665,545	J.K. Industries Ltd.	V.P. Works
36. Mr. Singh Raunaq	Chairman & MD	BA	01.04.78	75	54	2,659,399	BST Manufacturing Ltd.	MD
37. Mr. Sondh M.S.	DGM-Technical	B.Sc. DME	13.08.75	52	28	393,962	Goodyear Industries Ltd.	Sec. head-Design Devpt.
38. Mr. Sreekumar N	VP-Cochin Plant	B.Sc. (Engg.) PGDIE, LLB	14.03.91	48	25	810,193	Harrison Malayalam Ltd.	DGM (P&A)
39. Mr. Tandon Sunil*	Vice-President	B.Sc. (Engg.), MBA(Finance)	02.12.85	43	22	898,902	Modi Alkalies and Chem. Ltd.	E.A. to VC & MD
40. Mr. Thomas Tom K.	Head-MFG. Tech.	B.Sc., B.Tech	08.12.81	45	22	519,648	J.K. Industries Ltd.	Technical Officer
41. Mr. Venkatramani S.H.	G.M.-Corp. Com.	M.A.	22.11.95	41	17	357,142	Ballapur Industries Ltd.	DGM-Corp Com.
42. Mr. Venkateshwaran Raja	Sr. Manager (Engg.)	B.Sc. (Engg)	09.11.90	43	20	306,467	J.K. Industries Ltd.	Dy. Manager (Project)
43. Mr. Vishwanathan B.V.	DGM-Indl. Engg & Sys.	B.E(Mech)	11.12.86	52	30	416,698	Ibcon (P) Ltd.	Consultant
44. Mr. Vishwanathan P.	GM-Manufacturing	B.Sc., B.Tech, AMIE	17.11.83	51	29	476,900	State Enterprise for Rubber Ind.	Engineer-in-Charge
45. Mr. Wahal P.N.	AVP-Secretarial & Company Secretary	B.Com. (H), FCA, FCS	01-04-90	47	24	683,648	Apollo Tubes Ltd.	Company Secretary
46. Mr. Warrier E.C.	GM-Internal Audit	B.A., ICWAI	17.12.75	59	38	739,954	Ceat Ltd.	Materials Control-Supdt.

Employed for Part of the year

1. Mr. Arora Rajeev	Dy. Mgr.-Systems	B.E.	30.09.94	31	7	24,515	Ind. Inst. of Public Admn.	System Analyst
2. Mr. Bhan Ajeet	DGM-Manufacturing	B.E. (Marine)	08.05.90	55	23	360,932	UP Tyres & Tubes Ltd.	Managing Director
3. Mr. Chhibber J.R.	Vice-President	BA, PGDPM	06.09.91	59	34	273,977	Ranbaxy Laboratories	G.M. Personnel
4. Mr. Chidambaram Raja	Sr. Manager (Q.A.)	M.Tech (Textile Technology)	26.04.91	42	17	452,558	Shri Ram Fibres Ltd.	Asst. Manager (QA)
5. Mr. Choudhary Vishal	Sr. Manager	B.Sc. M.B.A.	01.03.94	34	12	301,499	Milk Food	Product Manager
6. Mr. Hariharan T.S.	Head of Pune Plant	B.Sc. M.B.A., B.L.	17.09.96	53	33	297,817	Hilton Roulound	President
7. Mr. Kamath K.S.	Sr. Manager (Electrical)	BE (Electrical) M.Tech	01.08.96	48	22	204,960	Dunlop India Ltd.	Sr. Manager (Elect. & Instrumentation)
8. Mr. Khullar I.V.	Asstt. Manager-Admn	Undergraduate	06.08.81	58	32	159,054	BST Ltd.	Asstt-Admn
9. Mr. Krishnan R.N.K.	Head-Design & Devpt.	B.Sc. B.E. (Mech)	30.09.96	44	21	197,515	Dunlop India Ltd.	DGM-Product Dev
10. Mr. Krishnan S.C.	AVP (JVP) Pune	BEMS	23.04.91	54	31	657,121	Hindustan Level Ltd.	Sr. Project Manager
11. Mr. Madan Ajay	Manager HR	B.Sc. PGDPM & IR, PGDBA	05.04.96	33	11	330,808	Onida	Manager
12. Mr. Malhotra Ravi	Chief Int. Auditor	B.A. LLB, AICWA, MBA	01.02.95	40	20	330,011	Special Steels Ltd.	Chief Internal Auditor
13. Mr. Rajagopal C.	Advisor	BA (Hons), DLW & PM	28.08.80	59	37	578,026	Toshiba Anand & Lamps Ltd.	Personnel Manager
14. Mr. Saxena P.K.	DGM-Taxation	B.Com.	02.01.89	58	38	442,539	BST Manufacturing Ltd.	DGM-Taxation
15. Mr. Sharma B.B.	Sr. Manager, Technical	B.E. (Chem) DPR, DIM	03.07.96	39	28	279,648	Birla Tyres	Sr. Manager-Technical
16. Mr. Shekawat H. S.	AVP-HR	B.Com. MBA(HRM)	01.11.96	42	18	292,419	Whirlpool India Ltd.	Director-HR
17. Mr. Singh R.P.	District Manager	BA M.Sc.	19.02.87	41	16	65,313	Bombay Tyres	Territory Manager
18. Mr. Srinivasan M.K.	DGM-Electrical	B.E. AMIE (M) (E) DEI	13.07.81	53	31	653,043	Hindustan Paper Corp. Ltd.	Superintending Engineer
19. Mr. Tanwar R.S.	DGM-HR	LLB, PGDAM, DIPT & D	6.08.96	43	23	260,946	Grasim Cement	GM-HRD
20. Mr. Trehan Sanjeev	Sr. District Manager	DLL&LW, PGDPM	16.06.86	34	15	228,394	Seema Industries	Marketing Executive
21. Mr. Venkatasubbu A.	DGM-Production	B.COM, LLB	13.11.89	48	24	460,121	Ceat Tyres India Ltd.	Manager-Elect. Engg.
22. Mr. Venkatramani T.M.	DGM-Prod & Prod Pig.	BE(H), PGD	02.09.96	49	22	200,956	Modi Rubber Ltd.	General Manager
23. Mr. Vepa V.S.	DGM-Institl. Sales	B.Sc. M.Sc. (Op. Resch)	28.09.87	39	18	165,814	Indian Shaving Products Ltd.	Brand Manager
24. Mr. Wahi A.K.	G.M. HR & IT	M.A. B.Tech, MBA	23.01.95	45	21	488,427	Nestle India Ltd.	Head-Info System

Note:

- None of the above is related to any Director of the Company except Mr. Raunaq Singh & Mr. Onkar S. Kanwar being father and son.
- All appointments are contractual.
- In respect of certain employees employed for part of the year, remuneration includes terminal benefits.
- On Deputation.

APOLLO TYRES LTD.

BOARD OF DIRECTORS

RAUNAQ SINGH
 ONKAR S. KANWAR
 A.P. KURIAN
 JOHN L. MARJORIBANKS
 JOHN MATHAI
 J. VELLAPALLY
 K. JACOB THOMAS
 M.R.B. PUNJA
 M.Y. RANADE
 O.P. GUPTA
 R.V. SUBRAHMANIAN
 S. VARADACHERY
 U.S. OBEROI

CHAIRMAN & MANAGING DIRECTOR
 VICE CHAIRMAN & MANAGING DIRECTOR
 UTI NOMINEE
 CDC NOMINEE
 KERALA GOVERNMENT NOMINEE

SBI NOMINEE

KERALA GOVERNMENT NOMINEE
 SR. VICE PRESIDENT (MGF. & PROJ)
 & WHOLE TIME DIRECTOR

COMPANY SECRETARY

P.N. WAHAL

AUDITORS

FRASER & ROSS

REGISTERED OFFICE

6TH FLOOR, CHERUPUSHPAM BLDG.,
 SHANMUGHAM ROAD,
 KOCHI-682031 (KERALA)

WORKS

PERAMBRA, P.O. CHALAKUDY,
 TRICHUR-680 689 (KERALA)

LIMDA TALUKA WAGHODIA,
 DIST. VADODARA-391760 (GUJARAT)

RANJAN GAON, NAGAR ROAD,
 TAL: SHIRUR, DIST. PUNE-419209.
 (MAHARASHTRA)

BANKERS

STATE BANK OF INDIA
 BANK OF INDIA
 BANK OF BARODA
 BARCLAYS BANK p.l.c.
 CATHOLIC SYRIAN BANK LTD.
 PUNJAB NATIONAL BANK
 STATE BANK OF MYSORE
 STATE BANK OF PATIALA
 STATE BANK OF TRAVANCORE
 THE SANWA BANK LTD.
 UNION BANK OF INDIA

SUBSIDIARY COMPANIES

APOLLO INTERNATIONAL LTD.
 3RD FLOOR, MANISHA, 75-76, NEHRU PLACE
 NEW DELHI-110019

APOLLO FINANCE LTD.
 14TH FLOOR, CHIRANJIV TOWER
 43, NEHRU PLACE, NEW DELHI-110019

PREMIER TYRES LTD.
 ZAABIL BUILDING, OLD THEVARA ROAD
 KOCHI-682016 (KERALA)



“Responsible and Responsive”

The year 1996-97 has been one of the most difficult years of the recent past for the tyre industry. Yet we have emerged stronger. Not only did we consolidate our leadership position in the truck and bus tyre segment, but we also forged a new beach-head by showing significant growth in the LCV tyre segment as well. Today, your company is poised to assume leadership of this sector as well.

How did we do this?

To be very honest, we didn't do anything terribly unique. We searched within ourselves for an answer to the problem of sustaining growth in the face of cut-throat competition. And we found the answer lay in the simple maxim we learned on mother's knee as children: a rupee saved is a rupee earned!

Consequently, at the very beginning of the last financial year, 1996-97, when the Indian corporate world was still bullish about the economy, we initiated a major cost management exercise throughout the organisation. Pruning of administrative and operational overheads, meticulous management of raw material stocks and work-in-progress inventory levels, and manpower rationalisation, all vis-a-vis international benchmarks and norms, are some of the continuous processes that we initiated throughout the organisation.

It is for this reason that we continue to be one of India's lowest cost tyre producers. It is why your company's profits have marginally increased in this year when margins across the economy have tightened. But that's not the only reason we did all this belt tightening.

We tightened our belts to exhibit a sense of responsibility to our shareholders. Last year we declared a high dividend when we experienced phenomenal growth. The challenge was to repeat the dividend performance in a scenario of sluggish growth. Thus we had to cut the flab and build a lean organisation capable of responding swiftly to the changing market.

Did we succeed completely?

Of course not. Success has no absolutes. It's relative to yesterday. In that context we performed well by increasing profits even as growth slowed. But we have much further to go.

We at Apollo Tyres have taken pride in the fact that we already carry a good part of India. As India integrates fully with the global economy, our goal at Apollo Tyres is to make India proud that Apollo moves the world! We are working to build a truly globally competitive organisation.

I am confident with our performance this year that we have a strong foundation of a responsible and responsive organisation.

Thank you

Onkar S. Kanwar
Vice Chairman and Managing Director

APOLLO TYRES LTD.

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

NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of APOLLO TYRES LTD. will be held as under:-

DAY : SATURDAY
DATE : AUGUST 30, 1997
TIME : 10.30 A.M.
PLACE : KERALA FINE ARTS THEATRE,
 FINE ARTS AVENUE,
 FORESHORE ROAD,
 ERNAKULAM,
 KOCHI-(KERALA)

To transact the following business :-

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended March 31,1997 and the Reports of the Directors and of the Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri K.Jacob Thomas, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri John L.Marjoribanks, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri O.P.Gupta, who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint, by Special Resolution, Auditors for the year 1997-98 till the conclusion of next Annual General Meeting and to fix their remuneration. M/s.Fraser & Ross, the retiring Auditors, are eligible for re-appointment.

SPECIAL BUSINESS

7. COMMISSION TO DIRECTORS OTHER THAN MANAGING/WHOLE TIME DIRECTORS

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 198,309,310 and all other applicable

provisions, if any, of the Companies Act,1956 and subject to the approval of Central Government, Financial Institutions, Agents and Trustees for Debentureholders and other lenders, wherever necessary, consent of the Company be and is hereby accorded for payment of a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Sections 198,349 and 350 of the Act, to the Directors of the Company or some/any of them (other than the Managing /Whole-time Directors) in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors for each year and such payments shall be made in respect of the profits of the Company for the period of five years commencing from 1st April,1997 to 31st March, 2002, subject to changes, if any, in terms of approval from Central Government/other authorities."

8. APPOINTMENT OF SHRI NEERAJ KANWAR - RELATIVE OF DIRECTOR(S)

To consider and if thought fit, to pass with or without modification(s), the following resolutions as Special Resolutions:-

- (A) "RESOLVED THAT pursuant to the provisions of Section 314 (1) and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of Agents & Trustees of Debentureholders and other lenders, wherever required, and any other approvals, if any required under other laws, consent of the Company be and is hereby accorded to the appointment of Shri Neeraj Kanwar, a relative of Shri Raunaq Singh and Shri Onkar S.Kanwar, Managing Directors of the Company, to hold an office or place of profit under the Company as "General Manager - Strategic Planning & Coordination" or such other designation as the management may decide from time to time on the following terms and conditions w.e.f. 24th February, 1997 :-

	Rs.(per month)
1. Salary :	18,000.00
2. Perquisites :	2,000.00
Total	<u>20,000.00</u>

APOLLO TYRES LTD.

(B) "RESOLVED THAT pursuant to the provisions of Section 314 (1-B) and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, Agents & Trustees of Debentureholders and other lenders, wherever required, and any other approvals, if any required under other laws, consent of the Company be and is hereby accorded to the appointment of Shri Neeraj Kanwar, a relative of Shri Raunaq Singh and Shri Onkar S. Kanwar, Managing Directors of the Company, to hold an office or place of profit under the Company as "General Manager, Strategic Planning & Co-ordination" or such other designation and with variation in terms and conditions of appointment as the management may decide from time to time, on the following terms & conditions w.e.f. 1st September, 1997 or the date of receipt of Central Government's approval, whichever is later:-

- 1 **Salary :** Rs.30,000/- per month (in the grade of Rs.30,000 - 5,000 - 50,000 - 10,000 - 1,00,000)
- 2 **Perquisites, Allowances & other Benefits :** Perquisites shall be allowed in addition to salary. Perquisites in Category-A and in excess of exemption from Income-Tax in Category-B shall be restricted to an amount not exceeding 150% of annual salary.

Unless the context otherwise requires, perquisites are classified into three categories 'A', 'B' and 'C' as follows :-

CATEGORY - A

This will comprise housing, medical reimbursement, leave travel concession, club fees and other benefits, allowances, expenses etc. These may be provided for as under:-

I. Housing

- (a) The expenditure by the Company on hiring unfurnished accommodation subject to a ceiling of sixty percent of the salary.
- (b) In case the accommodation is owned or taken on lease by the Company, ten percent of the salary of the appointee shall be deducted by the Company.
- (c) In case no accommodation is provided by the Company, the appointee shall be entitled to

house rent allowance subject to the ceiling laid down in (a) above.

- II. **Payment of gas, electricity, water expenses and furnishing:** To be valued as per Income-tax Rules, 1962.
- III. **Medical/Hospitalisation Expenses Reimbursement:** Expenses incurred for the appointee and the family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- IV. **Leave Travel Concession:** Leave Travel Concession for self and family in accordance with the rules of the Company.
- V. **Club Fees:** Fees of clubs subject to a maximum of two clubs. Admission and life membership fees to be paid as per rules of the Company.
- VI) **Personal Medical/Accident Insurance etc.:** Coverage for Personal Medical/Accident Insurance/Keymen Insurance or any other coverage as per rules of the Company and annual premium for the same to be paid by the Company.
- VII) Any other benefits, facilities, allowances and expenses as may be allowed under Company Rules/Schemes and available to other employees of his category.

Notes:

- (i) For the purpose of perquisites stated hereinabove, 'family' means spouse, dependent children and dependent parents of the appointee.
- (ii) Perquisites shall be evaluated as per Income-tax Rules wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

CATEGORY-B

- I. 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.

APOLLO TYRES LTD.

- II. Earned Leave: On full pay and allowances as per the rules of the Company.
- III. Encashment of leave at the end of the tenure, if any, will not be included in the computation of the ceiling on perquisites.

CATEGORY - C

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the appointee.

3. The appointee shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the Company.
4. The appointee shall be eligible for Housing, Education and Medical Loan and other Loans or facilities as applicable in accordance with the rules of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and things as, in its absolute discretion, it may consider 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."

9. VARIATION IN TERMS OF APPOINTMENT OF SHRI ONKAR S.KANWAR, MANAGING DIRECTOR

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

"RESOLVED THAT in partial modification of the Resolution passed at the Board Meeting held on 11th February, 1995 relating to increase in remuneration of Sh. Onkar S. Kanwar, Managing Director and approved in the Annual General Meeting held on 19th August, 1995 and pursuant to the provisions of Section 198, 309, 310 and all other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval by the Financial

Institutions, Agents & Trustees for Debentureholders and other lenders wherever required, approval of the members be and is hereby accorded to amend the ceiling limit for payment of perquisites under clause 3 of the resolution passed at the AGM held on 19th August, 1995 from Rs.4.50 lacs per annum to 150% of the annual salary for the remaining period of his existing tenure i.e. w.e.f. 01.04.97 to 31.01.98.

RESOLVED FURTHER THAT all other terms and conditions of appointment and payment of remuneration to Shri Onkar S.Kanwar, Vice Chairman & Managing Director, shall remain unchanged."

10. AMENDMENT OF ARTICLES OF ASSOCIATION

To consider and if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification or re-enactment thereof, the Articles of Association of the Company shall be amended in accordance with the provisions of Companies Bill, 1997 to the extent the said provisions are incorporated in the Companies Act, after its amendment and further subject to the approval of lenders, Agents and Trustees for Debenture holders, wherever necessary, by altering/ substituting or deleting the existing Articles to the extent and in the manner detailed hereunder:-

- a) The existing heading of Article 4 be substituted by the following new heading:-

Power of Company to purchase its own securities

and Article 4 be substituted by the following Article:

Article 4 - Subject to the provisions of the Companies Act as in force, the Board of Directors are authorised to purchase from time to time such quantity or quantities of the shares or other specified securities of the company, whether or not they are redeemable, at such rate(s) and on such terms as the Board may deem proper and make payment(s) for such purchases and

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to keep them alive/cancel them and/or resell from time to time such number(s) of the shares so purchased at such rate(s) and on such terms as the Board may deem proper, in accordance with the provisions of the Companies Act and any other law/rules and regulations as may be applicable from time to time.

- b) The existing heading of Article 12 be substituted by the following new heading:-

Issue with disproportionate rights

and Article 12 be substituted by the following Article:

Article 12 - The Company may issue shares and quasi equity instruments with differential rights, as to dividend, voting or otherwise in accordance with such rules as may be prescribed, or hybrids, derivatives and options as may be allowed under the Companies Act or any other regulations/enactment, from time to time.

- c) **Article 52A:** The following new Article 52A be inserted after Article 52.

52A. Nomination by Shareholder

Every holder of shares, debentures or other securities may at any time nominate in the prescribed manner, a person in whom his shares, debentures or other securities shall vest in the event of his death in accordance with the provisions of the law as may be applicable from time to time.

- d) **Article 101A:** The following new Article 101A be inserted after Article 101.

101A. Loan to Directors

Subject to the provisions of the Companies Act, a Managing Director, Director who is in whole time employment of the Company or a Manager may be granted loans by the Company for any purpose and on the terms and conditions as may be specified under the relevant provisions of the Companies Act or any rules/regulations as may be applicable from time to time. The Company may also provide guarantee or security for such loans to the third party wherever required.

- e) Article 116 be substituted by the following:-

116. Right of persons other than retiring Directors to stand for directorship

A person not being retiring Director shall be eligible for appointment to the office of a Director at any general meeting, if he or some other member, having consent of such number of members as may be prescribed under the Companies Act, intending to propose him as a Director has not less than fourteen days before the meeting, left at the Registered Office of the company, a notice in writing under his hand signifying his candidature for the office of the Director or the intention of such member to propose him as a candidate for that office, as the case may be, alongwith a deposit of such sum as is prescribed from time to time under the Companies Act, which shall be refunded to such person or to such member, if the person succeeds in getting elected as a Director or may be forfeited under the circumstances as prescribed under the Companies Act, as amended from time to time.

RESOLVED FURTHER THAT this resolution will be effective from the date of enactment and enforcement of Companies Bill, 1997 or any other amendment to Companies Act, 1956."

11. BUY BACK OF SHARES

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

"RESOLVED THAT subject to the provisions of the Companies Act 1956 as amended from time to time or any re-enactment thereof permitting the Company to buy back its own shares, the Board of Directors of the Company be and are hereby authorised to purchase from time to time such quantity or quantities of the shares of the Company whether or not they are redeemable, at such rate(s) as may be thought fit by the Board upto an amount not exceeding Rs.40 crores (Rupees Forty crores only) on such terms and conditions as the Board may deem proper and make payment(s) for such purchases out of the funds from free reserves and share premium account or out of such funds as may be allowed under the law/rules & regulations and to keep