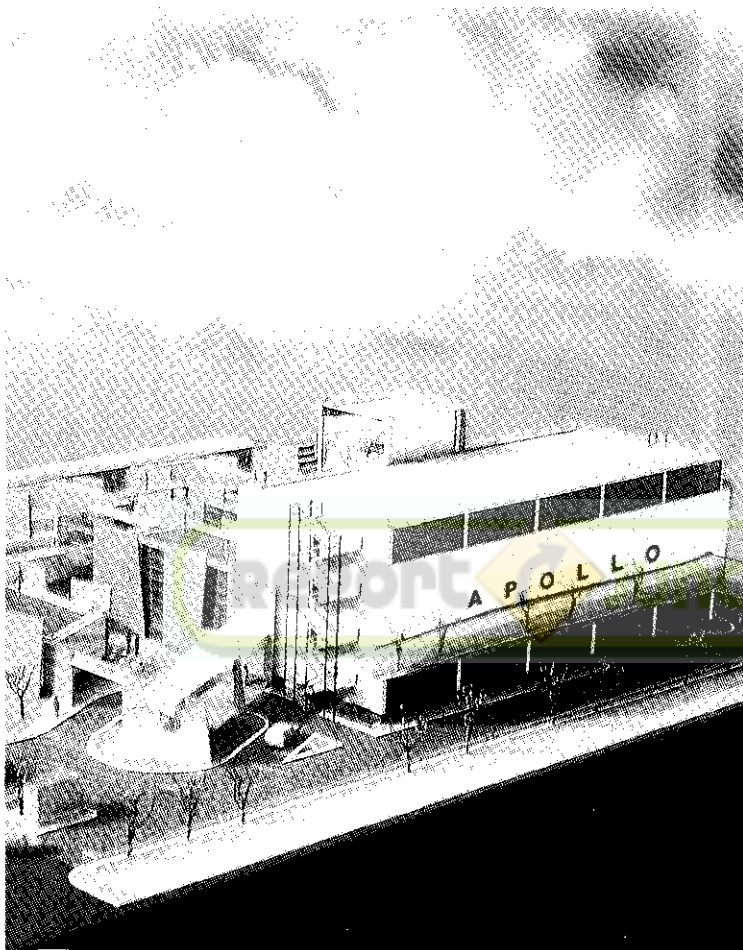




APOLLO TYRES LTD.

CONTENTS

Board of Directors	3
Vice Chairman's Message	5
Directors' Report	16
Auditor's Report	23
Balance Sheet	26
Profit & Loss Account	27
Schedules	28
Significant Accounting Policies	38
Balance Sheet Abstract & Company's General Business Profile	43
Cash Flow Statement	45
Statement Relating to Subsidiary Company u/s 212	46
Subsidiary Company	
Premier Tyres Limited	48



An artist's impression of our new Corporate Headquarters at Gurgaon.

“ The quality of a person's life is in direct proportion to their commitment to excellence, regardless of their chosen field of endeavour. ”

BOARD OF DIRECTORS

RAUNAQ SINGH Chairman & Managing Director
 ONKAR S. KANWAR Vice Chairman & Managing Director
 A. G. JOSHI UTI Nominee
 K. JACOB THOMAS
 K. MOHAN DAS Kerala Government Nominee
 M. R. B. PUNJA
 M. Y. RANADE SBI Nominee
 NEERAJ KANWAR Chief (Mfg. & Spc.) & Whole Time Director
 NIMESH N. KAMPANI
 O. P. GUPTA
 R. V. SUBRAHMANIAN
 SHARDUL S. SHROFF
 VINOD RAI Kerala Government Nominee
 U. S. OBEROI Chief (Proj. & Corp. Affairs) & Whole Time Director

COMPANY SECRETARY

P. N. WAHAL

AUDITORS

FRASER & ROSS

REGISTERED OFFICE

6TH FLOOR, CHERUPUSHPAM BUILDING,
 SHANMUGHAM ROAD,
 KOCHI - 682 031 (KERALA)
 TEL.: (0484) 381808, 381895, 381902-903
 FAX NO.: (0484) 370351

WORKS

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

LIMDA, TALUKA WAGHODIA
 DIST. VADODARA - 391 760 (GUJARAT)

RANJANGAON, NAGAR ROAD,
 TAL.: SHIRUR, DIST. PUNE - 419 209
 (MAHARASHTRA)

BANKERS

STATE BANK OF INDIA
 BANK OF INDIA
 BANK OF BARODA
 BARCLAYS BANK p.l.c.
 PUNJAB NATIONAL BANK
 STATE BANK OF MYSORE
 STATE BANK OF PATIALA
 STATE BANK OF TRAVANCORE
 THE ICICI BANKING
 CORPORATION LTD
 UNION BANK OF INDIA
 ANZ GRINDLAYS BANK

LEADERSHIP IN THE NEW MILLENNIUM



“ In this technology driven future of ours, I believe we have to safeguard the biggest idea of them all - *humanity*. ”

VICE CHAIRMAN'S MESSAGE

"The future holds great promise for the brave and the courageous." This 16th century inscription was a plaque in every battleship of the early French explorers. This was meant to instill faith in the hearts of each of the sailors who went on to find new frontiers for the entire human kind.

It's interesting to note that this wonderful inscription is still as relevant to each of us in the present context almost 400 years later, at the threshold of us stepping into the new millennium. The task is different, but the challenges are the same. The frontiers are different, the adversaries are different, the environment is different.

The new millennium holds great promise to the whole human kind. The last 100 years of human domination has seen such unbelievable progress in each and every sphere of our lives. The water we drink, the food we eat, the clothes we wear, the aircraft we travel in. Each and every thing in our lives leapfrogged ahead with the juggernaut of technology.

New technology has given a whole array of machines and each of these machines are incredible; more appropriate, they are fascinating.

In this technology driven future of ours, I believe we have to safeguard the biggest idea of them all - humanity.

It's humanity that has ensured brotherhood and togetherness all through history. It's the people who made the past, it's the people driving today and it will be the people who will leapfrog even further into glory tomorrow.

At Apollo, we strongly guard this close to our heart. Each and every single employee, shareholder and associate for us is an asset. More to the point, they are the ones who in their collective zeal, guide us to greater glories.

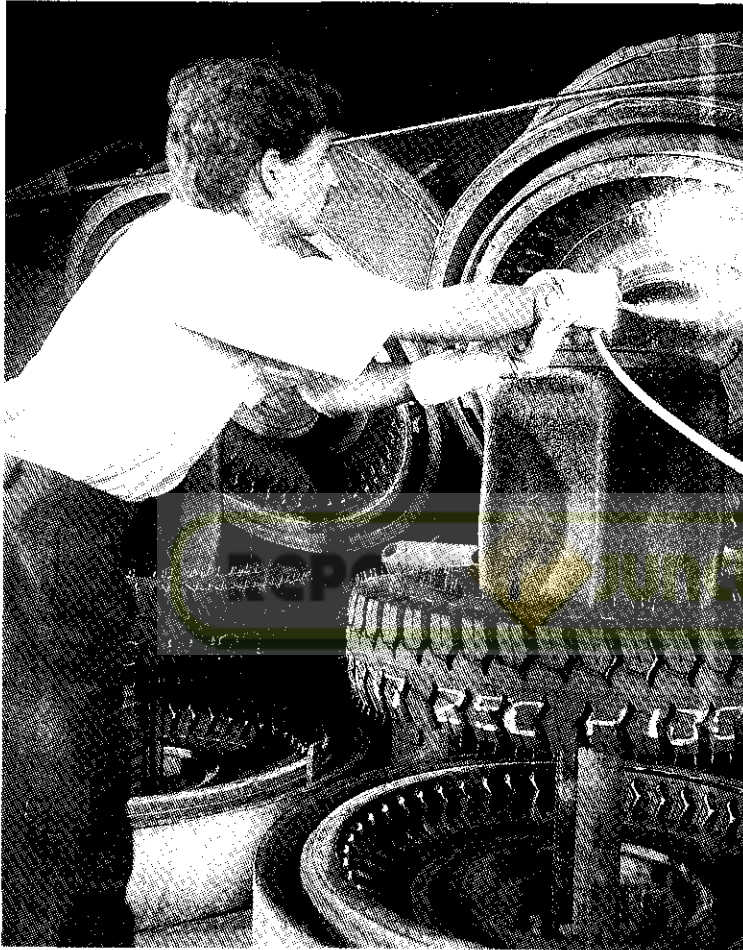
With the new millennium just around the corner, domination will not just be driven by technology, it will be orchestrated by the mind.

And for us to be leaders in the new millennium, we need the best of minds to ensure better understanding of the new challenges ahead of us. This has always been your Company's focus.

Onkar Kanwar

Onkar S. Kanwar

O UR PEOPLE



“ They are the face of the Company, and the walking, talking, living testimony of their work places. ”

“Our people are our hidden assets. For it is through them that we project our strengths to the outside world. They make us resilient, combative and forever unyielding. At Apollo Tyres, we pride ourselves in nurturing our people, allowing them the space to grow and giving them the wings to soar. After all, they are the very soul of our organisation. And their sense of achievement, is what guides us in our many endeavours, and helps us reach out to the world at large.”

O UR DEALERS



“ They are the biggest drivers
and the biggest influencers;
partnership with them and
strengthening of our relationships
is the key to
our success. ”

"Out there in the market place, what we most treasure is the excellent qualitative relationship we share with our dealers. A relationship based on complete transparency and mutual respect. Without the support of our dealers, we would never quite become the force we aspire to be. It is their remarkable faith in the inherent solidity of our brands that has given us the confidence of our consumers. And this relationship shall progress from strength to strength in the years to follow."