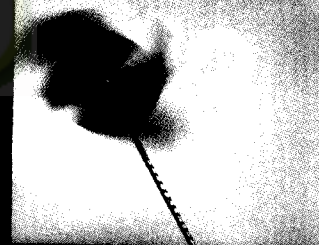


"Imagination is more important than knowledge. Knowledge is limited, imagination encircles the world."

annual report

2





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## Annexure to Directors' Report

## Annexure-'C'

Information as per Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of employees) Rules, 1975, and forming part of the Directors' Report for the year ended March 31, 2003.

Name	Designation	Qualification	D.O.J.	Age (Years)	Experience (Years)	Remuneration (Rs.)	Particulars of last Employment	Last Designation
<b>Employed Throughout The Year</b>								
1. Mr. Asoka S. Iyer	Chief - Group Advisory Services	B. Tech	1-May-98	54	33	3556829	Harrison Aquaculture Ltd.	President
2. Mr. N. Sreekumar	Head - Perambra Plant	B. Sc. (ENGG.), PGDIE, LLB	14-Mar-91	54	31	2979817	Harrison Malayalam Ltd.	GM (P & A)
3. Mr. Neeraj Kanwar	Chief Operating Officer & Whole time Director	B. Sc., ACMS	24-Feb-97	31	8	5638476	Apollo Finance Ltd.	Joint President
4. Mr. O. S. Kanwar	Chairman & Managing Director	B. Sc., Bach Of Admin (Calif.)	1-Feb-88	61	41	26849017	BST Manufacturing Ltd.	MD
5. Mr. P. K. Mohamed	Chief - R & T	B. Sc., LPR	19-Feb-01	62	38	3817515	Ceat Ltd.	Executive Director - Technical
6. Mr. S. K. Agrawal	Head - Limda Plant	B. Sc. (ENGG.)	7-Nov-00	52	32	2669350	Samtel Colour Ltd.	GM - Operations
7. Mr. U. S. Oberoi	Chief - Proj. & Corp. Affrs. & Whole time Director	B. Com.	15-Jul-80	59	39	5469325	JK Industries Ltd.	Sr. District Manager - Sales
<b>Employed For Part Of The Year</b>								
1. Mr. Kapil Agarwal	Head - Business Development	B. Com. F.C.A.	25-Nov-02	42	18	941253	BG Broadband India Pvt. Ltd.	Project Controller
<b>Note :</b> 1. None of the above is related to any Director of the Company except Mr. Onkar S. Kanwar & Mr. Neeraj Kanwar being father and son. 2. All appointments are contractual. 3. In respect of certain employees employed for part of the year, remuneration includes terminal benefits.								



12. Members are requested to note that the Dividend Warrants are payable at par at the branches as printed overleaf the Dividend Warrant within the initial validity period of 3 months. Thereafter, the Dividend Warrants on revalidation are payable only at the limited branches of the Bank. The members are advised to encash Dividend Warrant within the initial validity period.
13. 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 lose their right to claim such dividend.

Financial Year Ended	Due date of Transfer	Financial Year Ended	Due date of Transfer
31.03.1996	15.10.2003	31.03.2000	09.05.2007
31.03.1997	08.10.2004	31.03.2001	20.09.2008
31.03.1998	30.08.2005	31.03.2002	24.10.2009
31.03.1999	17.10.2006		

14. Pursuant to the provisions of Section 205A of the Companies Act, 1956, all unclaimed dividends upto the financial year ended 31<sup>st</sup> March, 1995 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed the dividend warrants for the said period(s) are requested to claim the same from the Central Government in the prescribed form.

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

##### Item No.7

Shri D. Sengupta, former Chairman of GIC, was appointed by the Board as an Additional Director on the Board of your Company w.e.f. 28<sup>th</sup> January, 2003. He holds office upto the date of the forthcoming Annual General Meeting, pursuant to Section 260 of the Act. A Notice under Section 257 of the Act, has been received from a member alongwith a deposit of Rs.500/- proposing the candidature of Shri D Sengupta as a Director of the Company.

The Board of Directors recommend resolution set out at Item No. 7 for your consideration and approval.

None of the Directors of the Company except Shri D Sengupta himself is concerned or interested in the resolution

##### Item No.8

In order to bring the Articles of Association of the Company in conformity with the amendments made to the Companies Act, 1956, from time to time and to take care of business requirements, Articles are being amended/deleted, subject to the approval of the Members in the Annual General Meeting.

The Board of Directors recommend resolution set out at Item No. 8 for your consideration and approval.

None of the Directors of the Company except Shri Onkar S. Kanwar and Shri Neeraj Kanwar and Shri Raaja R.S. Kanwar, being relatives of Shri Onkar S. Kanwar, in respect of Amendment of Article No. 120, is in any way concerned or interested in the resolution.

#### DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES

##### Item No. 3

Shri K. Jacob Thomas, aged about 67 years is Managing Directors of Vaniampara Rubber Co. Ltd. and Comfoam Ltd. and is also on the Board of Premier Tyres Ltd and Vanrub Pvt. Ltd.

He has vast experience in rubber plantation business. He is on the Board of Apollo Tyres since incorporation of the Company.

##### Item No. 4

Shri M.R.B. Punja, aged about 77 years and is on the Board of your Company since 1987. Shri M.R.B. Punja is a former Chairman of Industrial Development Bank of India (IDBI).

He is also the Chairman of Andhra Petrochemicals Ltd., LML Ltd., Suprajit Engg. Ltd., Suprajit Chem Pvt. Ltd., Adeep Roloforms Ltd. and Adeep Locks Ltd. and he is on the Board of other companies which includes Hindustan Spg. & Weaving Mills Ltd., Tamilnadu Petroproducts Ltd., Deepak Nitrite Ltd., Chowgule Steamships Ltd., Polychem Ltd., Sushruta Medical Aid & Research Hospital Ltd. and Seshasayee Paper and Board Ltd.

He has vast experience in banking, finance and corporate affairs.

##### Item No.5

Shri Robert Steinmetz, aged about 63 years, joined the Board of your Company during 1999. He has been Chief of International Business Unit, Continental AG, Germany, the supplier of tyre manufacturing technology to your Company.

He has rich experience in International Tyre Business.

##### Item No.7

Shri D Sengupta, aged about 61 years is a former Chairman of GIC. He possesses rich and vast experience in managing the public sector institutions.

By order of the Board  
For Apollo Tyres Ltd.

(P.N.Wahal)  
Company Secretary

Place: Gurgaon.

Dated: 9<sup>th</sup> May, 2003

- d) matured debentures with the Company;
- e) the interest accrued on the amounts referred to in clause (a) to (d);

such amounts shall be transferred to the "Investor Education and Protection Fund" in accordance with Section 205C of the Act and any rules made thereunder, and, no claim(s) shall survive in respect of any amount which stands transferred to the said fund."

xiii) Article 166

Clauses 4 & 5 of Article 166 be re-numbered as clauses (5) & (6) respectively and a new clause 4 be added after clause 3 as under:

(4) The Board's Report shall also include a Directors' Responsibility Statement, indicating therein:-

- (a) that in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- (b) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the Directors had prepared the annual accounts on a going concern basis.

xiv) After Article 173(4)(d), the following new clauses be inserted:

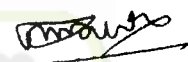
- (e) Whether in his opinion the Profit & Loss account and Balance Sheet comply with the accounting standards referred to in sub section 3(c) of section 211 of the Act.
- (f) In thick type and in italics, the observation or comments of the Auditors which have any adverse effect on the functioning of the Company.
- (g) Whether any Director is disqualified from being appointed as Director under clause (g) of sub section 1 of Section 274 of the Act.

xv) Article 187

A new clause (3) be added after the existing clause (2):

"(3) The indemnification obligations of the Company under this Article 187 shall survive the cessation of the office of any Director, or the termination of employment, or any other similar contract or arrangement, of the Manager, Secretary or other Officer or employee of the Company, as the case may be."

By order of the Board  
For Apollo Tyres Ltd.

  
(P.N. Wahal)  
Company Secretary

Place: Gurgaon

Dated: 9th May, 2003

#### 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, 2003 to 28<sup>th</sup> July, 2003 (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. Dividend on Equity Shares as recommended by the Directors for the financial year ended 31<sup>st</sup> March, 2003 when declared at the meeting will be paid on or before 27<sup>th</sup> August, 2003.
4. Please bring your copy of the Annual Report to the Meeting.
5. 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.
6. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on any working day prior to the date of the Meeting and also at the Meeting.
7. 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.
8. 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, 4, 5 & 7 of the Notice) is given after the Explanatory Statement in respect of Special Business.
9. The members holding shares in the dematerialised 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 Company's records which will help the Company to provide efficient and better service to members.
10. Members holding shares/debentures in the same name(s) under different folios are requested to apply for consolidation of such folios and send relevant share/ debenture certificates.
11. 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 have not demated your shares, you may do so by opening an account with a Depository Participant and complete dematerialization formalities.



- (5) The Depository, as a registered owner of the securities, shall not have any voting rights or any other right in respect of the securities held by it.
  - (6) Every person holding shares of the Company and whose name is entered as a beneficial owner in respect of those shares in the records of the Depository shall be deemed to be a member of the Company. A beneficial owner of the shares shall be entitled to all the rights including voting rights and benefits and be subject to all the liabilities in respect of his shares held by a depository on his behalf.
  - (7) The Depository shall provide the record in respect of transfer of securities of the Company, the particulars of beneficial owners of such securities at such intervals and in such manner as may be prescribed by the bye laws of the Depository.
  - (8) The Register and Index of beneficial owners in respect of the securities of the Company, maintained by a depository shall be deemed to be the Register and Index of Members and Security holders of the Company.
  - (9) The Company shall intimate to the Depository the details of securities issued by it from time to time immediately on allotment of such securities.
  - (10) The Company shall recognize the Beneficial Owners as the absolute owners of the securities of the Company whose names appear in the records of the Depository as the holders of such securities in respect of the receipt of dividend or bonus or service of notices and all or any other matters connected therewith. The Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.
- iii) Article 47
    - a) In clause (1) of Article 47 the words "and without assigning any reason" appearing in the first line of clause (1) of Article 47 be deleted.
    - b) In clause (2) of Article 47, the words "by giving reasons of such refusal" be added at the end.
  - iv) Article 90
 

The words "deposited as per Article 92 hereafter" be added at the end of the Article 90.
  - v) Article 120
 

Clause (1) of Article 120 be replaced with the following :

    - (1) (a) Shri Onkar S. Kanwar , the present Chairman of the Board , shall be the Chairman of the Company and shall not be liable to retire by rotation.
    - (b) The Directors may elect a Vice Chairman and determine the period for which he shall hold office.
  - vi) Alteration of Article 121
 

Article 121 to be rephrased as follows:

    - (1) Subject to the provisions of Law, the Board of Directors may, from time to time, appoint one or more committees consisting of one or more members of their body as the Board may deem fit.
    - (2) Subject to the provisions of the Law, the quorum of a Committee may be fixed by the Board and until so fixed if the Committee is a single member or two member Committee, the quorum shall be one and if the Committee is of more than two members, it shall be two.
  - vii) Alteration of Article 125
 

The words "or in any agreement" be added in the first line after the words "Save as otherwise expressly provided in the Act".
  - viii) Article 126
 

In clause (b) (16) of Article 126 , the following words " and to delegate to any of its Directors or officers of the Company, the powers of execution of documents in relation to the aforesaid agreement/contracts and to do all such acts and deeds in execution of the documents" be added at the end.
  - ix) Alteration of Article 127
 

In clause (2) of Article 127 the words "he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of director or in fixing the number of Directors to retire, but subject to the provisions of any contract between him and the Company" appearing in the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> line of the Article be deleted.
  - x) Substitution of Article 138
 

The existing Article 138 be replaced with the following :

"If the uncalled share capital of the Company is charged to any person, the Board may, subject to the terms and conditions on which such charge has been created, make calls on such shares but shall keep the money so collected in trust for the person in whose favour such capital is charged, to discharge the liability."
  - xi) Article 146
 

The existing Article 146 be replaced with the following :

"The Board may declare interim dividend as it appears to them to be justified by the profits of the Company."
  - xii) Article 157
 

The existing Article 157 alongwith its heading be deleted and in its place the following Article with the heading "Transfer of Unpaid Interest/Dividend" be inserted :

"If the following amounts remain unclaimed or unpaid for 7 years after they become due for payment:-

    - a) amounts in the unpaid dividend accounts of the Company;
    - b) the application moneys received by the Company for allotment of any securities and due for refund;
    - c) matured deposits with the Company;



APOLLO TYRES LTD.

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

## NOTICE

**NOTICE** is hereby given that the Thirtieth Annual General Meeting of the Members of **APOLLO TYRES LTD.** will be held as under:

<b>DAY</b>	:	Monday
<b>DATE</b>	:	28 <sup>th</sup> July, 2003
<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:-

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2003 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 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 M.R.B. Punja, who retires by rotation, and being eligible, offers **himself** for re-appointment.
5. To appoint a Director in place of Shri Robert Steinmetz, who retires by rotation, and being eligible, offers **himself** for re-appointment.
6. To appoint Auditors and fix their remuneration by passing the following resolution as an ordinary resolution with or without modification(s):-

"RESOLVED THAT M/s Fraser & Ross, 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 year 2003-2004 and the Board of Directors/Committee of the Board be and are hereby authorised 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 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

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

"RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Shri D Sengupta, in respect of whom the Company has received a notice in writing from some members proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

8. **AMENDMENT IN THE 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 in accordance with the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification(s) and re-enactment thereof, for the time being in force and the provisions of other statutes as applicable and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, the Articles of Association of the Company, be and are hereby altered as follows:

- i) Article 2

To insert clause (q):

"Laws"

(q) "Law(s)" mean all applicable laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, judgements, decrees or other requirements or official directive of any governmental authority or person acting under the authority of any Governmental Authority and/ or of any statutory authority in India, and specifically including, the Securities & Exchange Board of India and/ or of a Stock Exchange, as may be amended from time to time.

- ii) Article 17

In clause (1) of Article 17, the following words be added after the word "register" and before the word "shall" -

"and who has opted to hold shares in physical form"

After Article 17, the following new Article numbered as Article 17(A) be inserted with heading "Dematerialization":

Article 17(A) - Dematerialization

- (1) The holders of any securities issued or to be issued by the Company may hold such securities in the dematerialized form in accordance with the provisions of the Depositories Act, 1996, and any Regulations and/or Guidelines issued by SEBI in this regard from time to time.
- (2) (a) A member of the Company can get the Securities held by him dematerialized and re-materialized.  
(b) Every person subscribing to securities offered by the Company shall have the option to receive Security Certificate or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificate of securities.
- (3) The Depository shall hold the dematerialized securities in the fungible form.
- (4) The Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of dematerialized securities held by it on behalf of the beneficial owner.



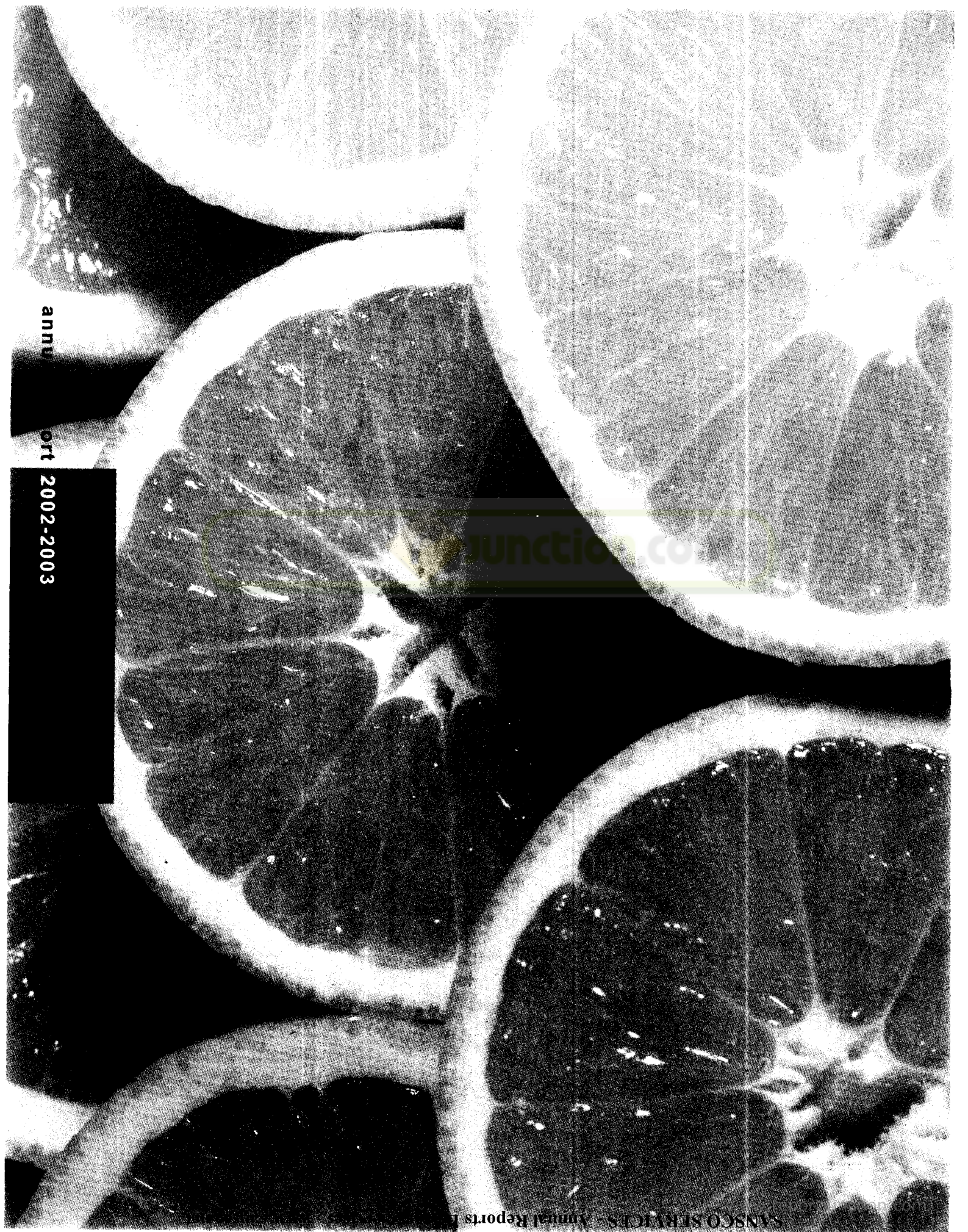
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Nothing is complete till  
it comes back a full circle.  
Sure these words have a  
deep-rooted meaning, but  
what they also hide within  
is the fact that a circle  
forms a very intrinsic part  
of human life. Everywhere  
around us, we encounter a  
circle that affects us  
somehow. Whether it's  
a '0' on a report card or  
a giant wheel in a  
recreation ground, our life  
deeply depends on this  
not-so-consequential thing  
called circle. Invention  
of the wheel is still  
considered to be one of  
the most significant  
inventions in the history  
of mankind.

Invention of the wheel  
is still considered  
to be one of the most  
significant inventions  
in the history of mankind.

*A Movement  
Called  
Apollo*