



Apollo Tyres Ltd

Regd. Office: 6th Floor, Cherupushpam Building, Shanmugham Road, Kochi-682 031 (Kerala)
(CIN-L25111KL1972PLC002449) Tel: +91 4842372767 Fax: +91 4842370351, Web: apollotyres.com

NOTICE

NOTICE is hereby given that the 41st Annual General Meeting of the members of APOLLO TYRES LTD will be held as under: -

DAY : Wednesday
DATE : August 6, 2014
TIME : 10:00 am
PLACE : Kerala Fine Arts Theatre,
Fine Arts Avenue,
Foreshore Road, Ernakulam,
Kochi (Kerala), India

to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2014 and reports of the Board of Directors and of the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr P H Kurian (DIN – 00027596), who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration by passing the following resolution as an Ordinary Resolution with or without modification(s):-

"RESOLVED THAT pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder, M/s Deloitte Haskins & Sells, Chartered Accountants (Registration No.008072S), the retiring auditors, be and are hereby re-appointed as auditors of the Company to hold office for a period of 3 (three) years for auditing the accounts of the Company from the financial years 2014-15 to 2016-17 (subject to ratification of the appointment by the members at every annual general meeting to be held during the period) and the Board of Directors/Committee of the Board be and is 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 also such other remuneration, as may be decided to be paid by the Board/Committee of the Board, for performing duties permissible under the Companies Act, 2013 other than those referred to herein above."

SPECIAL BUSINESS:

5. To pay the remuneration to the Cost Auditor for the financial year 2014-15 and in this regard 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 section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the cost auditor, M/s N P Gopalakrishnan & Co., Cost Accountants appointed by the Board of Directors of the Company for carrying out Cost Audit of the Company's plants at Perambra, Vadodara and Chennai as well as Company's leased operated plant at Kalamassery for the financial year 2014-15 be paid out a remuneration of ₹ 2.00 lac plus reimbursement of out of pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To appoint Mr A K Purwar (DIN 00026383), as an Independent Director and in this regard 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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr A K Purwar (holding DIN 00026383), Non Executive Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to August 5, 2019."

7. To appoint Mr K Jacob Thomas (DIN 00015603), as an Independent Director and in this regard 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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr K Jacob Thomas (holding DIN 00015603), Non Executive Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to August 5, 2019."
8. To appoint Mr Nimesh N Kampani (DIN 00009071), as an Independent Director and in this regard 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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr Nimesh N Kampani (holding DIN 00009071), Non Executive director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to August 5, 2019."
9. To appoint Mr Robert Steinmetz (DIN 00178792), as an Independent Director and in this regard 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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr Robert Steinmetz (holding DIN 00178792), Non Executive Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to August 5, 2019."
10. To appoint Dr S Narayan (DIN 00094081), as an Independent Director and in this regard 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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr S Narayan (holding DIN 00094081), Non Executive Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to August 5, 2019."
11. To appoint Mr Vikram S Mehta (DIN 00041197), as an Independent Director and in this regard 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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr Vikram S Mehta (holding DIN 00041197), Non Executive Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to August 5, 2019."
12. To appoint Mr Akshay Chudasama (DIN 00010630), as an Independent Director and in this regard 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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr Akshay Chudasama (holding DIN 00010630), who was appointed as an Additional Director of the Company by the Board of Directors with effect from November 11, 2013, in terms of section 161(1) of the Companies Act, 2013 whose term of office expires at the ensuing annual general meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to August 5, 2019."
13. To appoint Ms Pallavi Shroff (DIN 00013580), as an Independent Director and in this regard 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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms Pallavi Shroff (holding DIN 00013580), who was appointed as an Additional Director of the Company by the Board of Directors with effect from May 15, 2014, in terms of section 161(1) of the Companies Act, 2013 whose term of office expires at the ensuing annual general meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to May 14, 2019."
14. To authorise raising of funds through issue of Securities and in this regard 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 23, 42 and 62(1)(c), as may be applicable, and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under ("Act") (including any amendment thereto or re-enactment thereof), and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the Listing Agreement entered into with the stock exchanges where the Equity Shares of the Company are listed ("Stock Exchanges"), Chapter VIII of the

Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("ICDR Regulations"), the Foreign Exchange Management Act, 1999 ("FEMA"), Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000 and the regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India, Reserve Bank of India, the Stock Exchanges, the Government of India or any other relevant authority from time to time ("Governmental Authorities"), to the extent applicable, and subject to such approvals, consents, permissions and sanctions as may be required from such Governmental Authorities, and subject to such conditions as may be prescribed by such Governmental Authorities while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) is hereby authorised to accept, the Board be and is hereby authorised on behalf of the Company to create, issue, offer and allot, (including the provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons as may be permitted), in the course of one or more public or private offerings with or without a green shoe option, Equity Shares (including Qualified Institutions Placement ("QIP") under ICDR Regulations) and/or Equity Shares through convertible bonds and/or other securities convertible into Equity Shares at the option of the Company and/or the holder(s) of such securities, and/or securities linked to Equity Shares and/or securities including non-convertible debentures with warrants or other securities with or without warrants, which may either be detachable or linked, and which warrant has a right exercisable by the warrant holder to subscribe for the Equity Shares and/or warrants with an option exercisable by the warrant-holder to subscribe for Equity Shares and/or any instruments or securities representing either Equity Shares and/or convertible securities linked to Equity Shares (including the issue and allotment of Equity Shares pursuant to a Green Shoe Option, if any), (all of which are hereinafter collectively referred to as "Securities") to eligible investors under applicable laws, regulations and guidelines (whether residents and/or non-residents and/or institutions/banks and/or incorporated bodies, mutual funds, venture capital funds and Indian and/or multi-lateral financial institutions and/or individuals and/or trustees and/or stabilising agents or otherwise, and whether or not such investors are members of the Company), through prospectus and/or letter of offer or circular and/or on public and/or private/preferential placement basis, such issue and allotment to be made at such time/times, in one or more tranches, for cash, at such price or prices, in such manner and where necessary, in consultation with the Merchant Bankers and/or other Advisors or otherwise, on such terms and conditions as the Board, may, in its absolute discretion, decide at the time of issue of Securities provided that the total amount raised through the issuance of such Securities shall not exceed USD 200 million or its equivalent in one or more currencies, including premium if any as may be decided by the Board, to investors as mentioned above. However, the pricing of the Securities that may be issued to qualified institutional buyers pursuant to a QIP shall be freely determined subject to such price not being less than the price calculated in accordance with Chapter VIII of the ICDR Regulations. The Company may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the price determined pursuant to the ICDR Regulations.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of the Securities may have all or any terms or conditions or combination of terms in accordance with applicable regulations, prevalent market practices etc.

RESOLVED FURTHER THAT in the event the equity shares are issued pursuant to a QIP, the relevant date for the purpose of pricing of the equity shares shall be the date on which the Board of the Company (including a Committee of the Board) decides to open the proposed issue, and in the event that convertible securities (as defined under the ICDR Regulations) are issued pursuant to a QIP, the relevant date for the purpose of pricing of such securities, shall be the date on which the Board of the Company (including a Committee of the Board) decides to open the proposed issue of such convertible securities.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Securities as may be required to be issued and allotted, including issue and allotment of Equity Shares upon conversion of any Securities referred to above or as may be necessary in accordance with the terms of the offer, subject to the provisions of the Memorandum and Articles of Association of the Company all such Equity Shares ranking pari passu inter se and with the then existing Equity Shares of the Company in all respects, including dividend, which shall be subject to relevant provisions in that behalf contained in the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board, where required in consultation with the Merchant Bankers and/or other Advisors, be and is hereby authorised on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including but not limited to the selection of QIBs to whom the Securities are to be offered, issued and allotted, and matters related thereto, and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint lead managers, underwriters, guarantors, depositories, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc., with such agencies and also to seek the listing of such Securities on stock exchange(s) and the Equity Shares to be issued on conversion of the Securities as set forth in the aforesaid resolution, if any, on any stock exchange(s), authorising any director(s) or any officer(s) of the Company to sign for and on behalf of the Company, the offer document(s), agreement(s), arrangement(s), application(s), authority letter(s), or any other related paper(s) / document(s) and give any undertaking(s), affidavit(s), certificate(s), declaration(s) as the Board may in its absolute discretion deem fit including the authority to amend or modify the aforesaid document(s).

RESOLVED FURTHER THAT the Board be and is hereby authorized to form a committee or delegate all or any of its power to any committee of directors to give effect to the aforesaid resolutions and is authorized to take such steps and to do all such acts, deeds, matters and things and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of Equity Shares."

15. To authorise placement of Non-Convertible Debentures and in this regard 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 42 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws including the SEBI (Issue & Listing of Debt Securities) (Amendment) Notification, 2012 and other applicable SEBI regulations and guidelines, the provisions of the Memorandum and Articles of Association of the Company and subject to the receipt of necessary approvals as may be applicable and such other approvals, permissions and sanctions, as may be necessary, consent of the Company be and is hereby accorded to raise funds not exceeding ₹ 500 crore through Private Placement of Unsecured/Secured Non-Convertible Debentures during the one year from the date of passing of this resolution within overall borrowing limits of the company, as approved by the members from time to time, in one or more tranches, to such person or persons, who may or may not be the debenture holders of the Company, as the Board (or any duly constituted Committee of the Board or such other authority as may be approved by the Board) may at its sole discretion decide, including eligible investors (whether residents and/or non-residents and/or institutions/incorporated bodies and/or individuals and/or trustees and/or banks or otherwise, in domestic and/or one or more international markets) including Non-resident Indians, Foreign Institutional Investors (FIIs), Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Development Financial Institutions, Bodies Corporate, Companies, private or public or other entities, authorities and to such other persons in one or more combinations thereof through Private Placement in one or more tranches and including the exercise of a green-shoe option (within overall borrowing limits of the company, as approved by the members from time to time), if any, at such terms as may be determined under the guidelines as may be applicable, and on such terms and conditions as may be finalized by the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to Private Placement of unsecured/secured non-convertible debentures, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as approved by the Board, be and is hereby authorized to determine the terms of the Issue, including the class of investors to whom the debentures are to be allotted, the number of debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of debenture holders, listing, issuing any declaration / undertaking etc. required to be included in the Private Placement Offer Letter and any other regulatory requirement for the time being in force."


16. To approve the increase in the limits of FIIs Holding in the Company and in this regard 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 applicable provisions of Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and all other applicable rules, regulations, guidelines and laws (including any statutory modifications or re-enactment thereof, from time to time) and subject to all applicable approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), consent of the Company be and is hereby accorded to the Board to permit Foreign Institutional Investors ("FIIs") registered with the Securities and Exchange Board of India ("SEBI") to acquire and hold, on their own account and/or and on behalf of their SEBI approved sub-accounts, equity shares of the Company, provided that the equity shareholding of all such FIIs and sub-accounts put together shall not exceed 45% (Forty five per cent) of the total paid-up Equity Share Capital of the Company, provided however that the shareholding of each FII, on its own account and on behalf of each of the SEBI approved sub-accounts in the Company shall not exceed 10% (Ten per cent) of the total paid-up Equity Share Capital of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto including intimating the concerned authorities or other regulatory bodies and delegating all or any of the power conferred herein to any Committee or Directors or officers of the Company."

Place: Gurgaon
Dated: July 2, 2014

By Order of the Board
For Apollo Tyres Ltd



(P N Wahal)
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is enclosed herewith.

2. Members/ Proxies should fill the Attendance Slip for attending the meeting and bring their Attendance Slip along with their copy of the annual report to the meeting.
3. The Register of Members and Share Transfer Books shall remain closed from July 21, 2014 to August 6, 2014 (both days inclusive) for payment of dividend on equity shares. Dividend shall be paid to the members holding shares as on the record date i.e. July 21, 2014 on 509024770 equity shares of the Company. In respect of shares held in dematerialised form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the respective depositories for this purpose.
4. Corporate members are requested to send a duly certified copy of the Board resolution/authority letter, authorizing their representative(s) to attend and vote on their behalf at the meeting.
5. The relevant explanatory statement pursuant to section 102 of the Companies Act, 2013, in respect of the special businesses 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 am to 5.00 pm on any working day prior to the date of the meeting and will also be available at the meeting venue on the date of the meeting. The register of Director's and Key Managerial Personnel and their shareholding will be available for inspection at the meeting.
7. The Register of Contracts or Arrangements in which Directors are interested, will be available for inspection by the members at the annual general meeting.
8. Members intending to require information about accounts to be explained at the meeting are requested to write to the Company at least 10 (ten) days in advance of the annual general meeting.
9. The shares of the Company are under compulsory demat list of Securities & Exchange Board of India w.e.f. November 11, 1999. The trading in equity shares can now only be 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 dematerialisation formalities.
10. Members holding shares in dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. to their depository participant. 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.
11. Members holding shares in physical form are requested to intimate changes with respect to their bank account (viz. name and address of the branch of the bank, MICR code of branch, type of account and account number), mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. immediately to the Company.
12. Voting through Electronic Means

I. In compliance with provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and clause 35B of the listing agreement the Company is pleased to provide members facility to exercise their right to vote at the 41st annual general meeting by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL).

The Instructions for e-voting are as under:

- (A) In case of members' receiving e-mail from NSDL;
 - i) Open e-mail and PDF file viz. "ATL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user id and password for e-voting. Please note that the password is an initial password.
 - ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - iii) Click on Shareholder – Login
 - iv) Put user id and password as initial password in step (i) above. Click Login.
 - v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- vi) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
 - vii) Select "EVEN" of Apollo Tyres Ltd.
 - viii) Now you are ready for e-voting as Cast Vote page opens.
 - ix) Cast your vote by selecting appropriate option and click on "Submit" and also click "Confirm" when prompted.
 - x) Institutional shareholders (i.e. other than individuals, HUF, NRI etc are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the scrutinizer through e-mail tenrose@vsnl.com or investors@apolloytyres.com with a copy marked to evoting@nsdl.co.in.
- (B) In case of members' receiving physical copy of the Notice of annual general meeting and attendance slip:
- (i) Initial password is provided below the attendance slip.
 - (ii) Please follow all steps from Sl. No (ii) to (x) above, to cast vote.
- II. If you are already registered with NSDL for e-voting then you can use your existing user id and password for casting your vote.
- III. The e-voting period commences on August 1, 2014 (9:00 am) and ends on August 2, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 21, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- IV. The voting rights of shareholders shall be as per the number of equity shares held by members as on the cut-off date (record date) of July 21, 2014.
- V. Mr P P Zibi Jose, Practicing Company Secretary has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VII. The Results shall be declared on or after the annual general meeting of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.apolloytyres.com. Members may also note that the Notice of the 41st annual general meeting and the Annual Report 2014 will be available on the Company's website.

Note: In case of queries/ grievances with regard to e-voting, contact Mr Rajiv Ranjan, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400 013. Email: evoting@nsdl.co.in / rajivr@nsdl.co.in, Tel:022-24994600/022-249944738.

- 13. Electronic copy of the Notice of the 41st annual general meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 41st annual general meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- 14. 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
31.03.2007	25.09.2014
31.03.2008	17.09.2015
31.03.2009	22.09.2016
31.03.2010	28.09.2017
31.03.2011	15.10.2018
31.03.2012	13.10.2019
31.03.2013	06.10.2020

- 15. Pursuant to section 101 and section 136 of the Companies Act, 2013 read with relevant rules made thereunder, Companies can serve annual reports and other communications through electronic mode to those members who have registered their e-mail address with the Company or with the Depository. Members who have not registered their e-mail address with the Company can now register the same by submitting the duly filled in "E-mail Registration Form", available on the website of the Company, to the Company. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

The Notice of annual general meeting and the copies of audited financial statements, directors' report, auditors' report etc. will also be displayed on the website (www.apollotyres.com) of the Company.

16. As per the provisions of clause 5AII of the listing agreement (SEBI circular no. CIR/CFD/DIL/10/2010 dated December 16, 2010) the unclaimed/undelivered shares lying in the possession of the Company had dematerialised and transferred into an "Unclaimed Suspense Account". Shareholders who have not yet claimed their shares are requested to immediately approach the Company by forwarding a request letter duly signed by all the shareholders furnishing the necessary details to enable the Company to take necessary action.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Company.
18. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or staying abroad or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.
19. Details under clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the annual general meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment and their brief profile forms part of the explanatory statement.
20. Kindly register your email address and contact details with us, by writing to us addressed to the Secretarial Department at our corporate office, or at our e-mail ID: investors@apollotyres.com. This will help us in prompt sending of notices, annual reports and other shareholder communications in electronic form.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

The Board at its meeting held on February 12, 2014, on the recommendation of the Audit Committee, had re-appointed M/s N P Gopalakrishnan & Co., Cost Accountants for carrying out Cost Audit of the Company's plants at Perambra, Vadodara and Chennai as well as Company's leased operated plant at Kalamessery for the financial year 2014-15 on remuneration of ₹ 2.00 lac plus reimbursement of out of pocket expenses.

As per Rule 14 of The Companies (Audit and Auditors) Rules, 2014 the remuneration of the Cost Auditors which is recommended by the Audit Committee shall be considered and approved by the Board of Directors and subsequently ratified by the shareholders.

None of the Directors or Key Managerial Personnel (KMPs) of the Company or their relatives is concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no.5 for your consideration and ratification.

Item No. 6

Mr A K Purwar, aged about 68 years, holds a master's degree in commerce from Allahabad University. He also holds a diploma in business management from Allahabad University. Mr Purwar was the Chairman of the Indian Banks' Association during 2005-06. He is a past member of the advisory board for the Institute of Indian Economics Studies, Waseda University, Tokyo. Mr Purwar received the 'CEO of the Year' award from the Institute for Technology and Management in 2004, 'Outstanding Achiever of the Year' award from Indian Banks' Association in 2004 and 'Finance Man of the Year' award from the Bombay Management Association in 2006. He has over 44 years of experience in the fields of banking and finance. Prior to joining our Company, he has worked at various banking institutions in Japan and India, including State Bank of Patiala and State Bank of India.

He joined the Board of Directors of the Company in the year 2007.

Mr Purwar holds Chairmanship/Directorship in the following companies :-

Chairman - IL & FS Renewable Energy Ltd. and India Ventures Advisors Pvt. Ltd.

Director - Vardhman Textiles Ltd., Reliance Communications Ltd., Jindal Steel & Power Ltd., Jindal Power Ltd., IIFL Holdings Ltd., C&C Constructions Ltd., Sri Kavery Medical Care (Trichy) Ltd., Vardhman Chemtech Limited, ONGC-Tripura Power Co. Ltd., Energy Infratech Pvt. Ltd., Mizuho Securities India Pvt. Ltd., Dr. Ramesh Cardiac & Multispecialty Hospital Pvt. Ltd. and Baroda Medicare Private Ltd.

Mr Purwar also holds Chairmanship/Membership of Committees in the following companies:-

Audit Committee

Chairman - Reliance Communications Ltd. and ONGC-Tripura Power Co. Ltd.

Member - Jindal Steel & Power Ltd. and Jindal Power Ltd.

Shareholder Grievance Committee

Member - Reliance Communications Ltd.

He is not holding any shares of the Company.

Section 149 and section 152 of the Companies Act, 2013 inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of special resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the annual general meeting.

The new provisions further provide that the Independent Directors shall give a confirmation of independence and meeting of the prescribed criteria, as mentioned in section 149(6) of the Companies Act, 2013.

Mr Purwar is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, in terms of section 149(13) of the Companies Act, 2013, an independent director is not liable to retire by rotation. Therefore, in terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr Purwar being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto August 5, 2019.

The Company has received from Mr Purwar –

- (i) Intimation in Form DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of section 164 of the Companies Act, 2013.
- (ii) A declaration to the effect that he meets the criteria of independence as provided under sub section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr Purwar fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr Purwar as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr Purwar as an Independent Director.

This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchanges.

None of the Directors or KMPs of the Company or their relatives except Mr A K Purwar himself is concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no.6 for your consideration and approval.

Item No. 7

Mr K Jacob Thomas, aged about 78 years is the Managing Director of Vaniampara Rubber Co. Ltd. and Comfoam Ltd. He has vast experience in rubber plantation business. He is on the Board of Apollo Tyres Ltd since incorporation of the Company.

Mr Thomas holds Chairmanship/Directorship in the following companies:-

Director - PTL Enterprises Ltd., Vaniampara Rubber Co. Ltd., Comfoams Ltd. and Vanrub Pvt. Ltd.

Mr Thomas also holds Chairmanship of Audit Committee of PTL Enterprises Ltd.

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

Section 149 and section 152 of the Companies Act, 2013 inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of special resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the annual general meeting.

The new provisions further provide that the Independent Directors shall give a confirmation of independence and meeting of the prescribed criteria, as mentioned in section 149(6) of the Companies Act, 2013.

Mr Thomas is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, in terms of section 149(13) of the Companies Act, 2013, an independent director is not liable to retire by rotation. Therefore, in terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr Thomas being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto August 5, 2019.

The Company has received from Mr Thomas –

- (i) Intimation in Form DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of section 164 of the Companies Act, 2013.

- (ii) A declaration to the effect that he meets the criteria of independence as provided under sub section (6) of section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr Thomas fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr Thomas as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr Thomas as an Independent Director.

This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchanges.

None of the Directors or KMPs of the Company or their relatives except Mr K Jacob Thomas himself is concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no.7 for your consideration and approval.

Item No. 8

Mr Nimesh N Kampani aged about 68 years, holds a bachelor's degree in commerce from Sydenham College, Mumbai and is a qualified Chartered Accountant. He has vast experience in the fields of investment banking, securities trading, merger and acquisitions and providing financial solutions. Prior to joining our company, Mr Kampani has served on various committees of the SEBI and was a member of the Bhagwati Committee on the Takeover Code. He has also served as a Chairman and member of the Financial Services Committee and National Council of the Confederation of Indian Industry. Mr Kampani joined the Board of Directors of the Company in the year 1997.

Mr Nimesh N Kampani holds Chairmanship/Directorship in the following companies:-

Chairman & Managing Director - J.M.Financial Ltd

Chairman - J.M.Financial & Investment Consultancy Services Pvt.Ltd., JM Financial Institutional Securities Ltd., JM Financial Services Ltd., Capital Market Publishers India Pvt. Ltd., Kampani Consultants Ltd. and JM Financial Trustee Company Pvt. Ltd.

Director - Britannia Industries Ltd., Deepak Nitrite Ltd. and KSB Pumps Ltd.

Mr Kampani also holds Chairmanship/Membership of Committees in the following companies:-

Audit Committee

Chairman - JM Financial Services Ltd., JM Financial Institutional Securities Ltd. and KSB Pumps Ltd.

Member - Britannia Industries Ltd.

Stakeholders' Relationship Committee

Member - JM Financial Ltd.

Share Transfer & Shareholders/Investors' Grievance and Ethics/Compliance Committee

Member - Britannia Industries Ltd.

He is not holding any shares of the Company.

Section 149 and section 152 of the Companies Act, 2013 inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of special resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the annual general meeting.

The new provisions further provide that the Independent Directors shall give a confirmation of independence and meeting of the prescribed criteria, as mentioned in section 149(6) of the Companies Act, 2013.

Mr Kampani is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, in terms of section 149(13) of the Companies Act, 2013, an independent director is not liable to retire by rotation. Therefore, in terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr Kampani being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto August 5, 2019.

The Company has received from Mr Kampani –

- (i) Intimation in Form DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of section 164 of the Companies Act, 2013.
- (ii) A declaration to the effect that he meets the criteria of independence as provided under sub section (6) of section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr Kampani fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr Kampani as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr Kampani as an Independent Director.

This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchanges.

None of the Directors or KMPs of the Company or their relatives except Mr Nimesh N Kampani himself is concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no.8 for your consideration and approval.

Item No. 9

Mr Robert Steinmetz, aged about 74 years, joined the board of your company during 1999. He has been the Chief of International Business Unit of Continental AG, Germany, the past supplier of tyre manufacturing technology to your Company. He has rich experience in International Tyre Business.

He is not holding any shares of the Company.

Section 149 and section 152 of the Companies Act, 2013, inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of special resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the annual general meeting.

The new provisions further provide that the Independent Directors shall give a confirmation of independence and meeting of the prescribed criteria, as mentioned in section 149(6) of the Companies Act, 2013.

Mr Steinmetz retires by rotation at the ensuing annual general meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr Steinmetz being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto August 5, 2019.

The Company has received from Mr Steinmetz –

- (i) Intimation in Form DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of section 164 of the Companies Act, 2013.
- (ii) A declaration to the effect that he meets the criteria of independence as provided under sub section (6) of section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr Steinmetz fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr Steinmetz as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr Steinmetz as an Independent Director.

This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchanges.

None of the Directors or KMPs of the Company or their relatives except Mr Robert Steinmetz himself is concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no.9 for your consideration and approval.

Item No. 10

Dr S Narayan IAS, aged 71 years, is a retired officer from the Indian Administrative Service. He holds a Master's degree in Physics from the University of Madras and also holds Master's degree in Business Management (Finance) from the University of Adelaide, Australia and M. Phil in Development Economics from the University of Cambridge, UK. He holds a Ph. D from Indian Institute of Technology, Delhi. He is a visiting senior research fellow at the Institute of South Asian Studies, National University of Singapore, since 2005. Dr Narayan has held various positions in the GoI, including the Secretary, Ministry of Petroleum and Natural Gas, GoI during 1999-2000 and the Economic Advisor to the Prime Minister during 2003-04.

He joined the Board of Directors of the Company in the year 2005.

Dr S Narayan holds directorship in Godrej Properties Ltd., Dabur India Ltd., Seshasayee Paper Board Ltd., India Infoline Ltd., Castlewood Trading Pvt Ltd. and Yogya Systems Pvt Ltd.

Dr S Narayan also holds membership of Audit Committee of Dabur India Ltd., Seshasayee Paper Board Ltd., and Godrej Properties Ltd. and India Infoline Ltd. He is not holding any shares of the Company.

Section 149 and section 152 of the Companies Act, 2013, inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of special resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the annual general meeting.

The new provisions further provide that the Independent Directors shall give a confirmation of independence and meeting of the prescribed criteria, as mentioned in section 149(6) of the Companies Act, 2013.

Dr Narayan is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, in terms of section 149(13) of the Companies Act, 2013, an independent director is not liable to retire by rotation. Therefore, in terms of section 149 and other applicable provisions of the Companies Act, 2013, Dr Narayan being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto August 5, 2019.

The Company has received from Dr Narayan –

- (i) Intimation in Form DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of section 164 of the Companies Act, 2013.
- (ii) A declaration to the effect that he meets the criteria of independence as provided under sub section (6) of section 149 of the Companies Act, 2013.

In the opinion of the Board, Dr Narayan fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Dr Narayan as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Dr Narayan as an Independent Director.

This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchanges.

None of the Directors or KMPs of the Company or their relatives except Dr S Narayan himself is concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no.10 for your consideration and approval.

Item No. 11

Mr Vikram S Mehta, aged about 62 years, began his illustrious career as Member of the Indian Administrative Service of the Government of India. He was associated with some of the leading companies like Shell Group of Companies, Philips Petroleum in London and CII. He has held Advisory positions with world –renowned petroleum companies and the Indian Government's Ministry of Petroleum.

He joined the Board of the Company in the year 2013. He has a BA (Hons) from St. Stephens College, Delhi University, MA (Economics) from Magdalen College, Oxford University and MA (Energy Eco) from the Fletcher School of Law and Diplomacy, Tufts University.

Mr Mehta holds Directorship in the following companies:-

Director - Colgate-Palmolive (I) Ltd., Mahindra & Mahindra Ltd., Hindustan Media Ventures Ltd., United Spirits Ltd., Larsen & Turbo Ltd., Brookings Institution India Center, N.V Advisory Services Pvt. Ltd., Vodafone India Ltd., L&T Hydro Carbon and Thomas Reuters Funders Share Co. Ltd.

Mr Mehta also holds Membership of Committees in the following companies:-

Audit Committee

Member - Colgate-Palmolive (I) Ltd. and United Spirits Ltd.

He is holding 6000 shares of the Company.

Section 149 and section 152 of the Companies Act, 2013, inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of special resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the annual general meeting.

The new provisions further provide that the Independent Directors shall give a confirmation of independence and meeting of the prescribed criteria, as mentioned in section 149(6) of the Companies Act, 2013.

Mr Mehta is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, in terms of section 149(13) of the Companies Act, 2013, an independent director is not

liable to retire by rotation. Therefore, in terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr Mehta being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto August 5, 2019.

The Company has received from Mr Mehta –

- (i) Intimation in Form DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of section 164 of the Companies Act, 2013.
- (ii) A declaration to the effect that he meets the criteria of independence as provided under sub section (6) of section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr Mehta fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr Mehta as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr Mehta as an Independent Director.

This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchanges.

None of the Directors or KMPs of the Company or their relatives except Mr Vikram S Mehta himself is concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no.11 for your consideration and approval.

Item No. 12

Mr Akshay Chudasama, was appointed by the Board as an additional Director on the Board of your Company w.e.f. November 11, 2013, pursuant to section 161(1) of the Companies Act, 2013. Mr Akshay Chudasama, holds office upto the date of the ensuing annual general meeting. A notice under section 160 of the Companies Act, 2013 has been received from a member along with a deposit of ₹ 1 lac proposing the candidature of Mr Akshay Chudasama as a Director of the Company.

Mr Akshay Chudasma aged about 45 years, is the partner of leading legal firm M/s J. Sagar Associates. He has been practicing law since 1994 and specializes in Mergers & Acquisitions, Joint Ventures, Cross Border Investments, Private Equity, Real Estate, Hospitality, Franchising and Media & Entertainment law.

Mr Chudasama, holds directorship in Bata Ltd. and Wyosha Real Estates Pvt. Ltd.

He is not holding any shares in the Company.

Section 149 and section 152 of the Companies Act, 2013, inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of special resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the annual general meeting.

The new provisions further provide that the Independent Directors shall give a confirmation of independence and meeting of the prescribed criteria, as mentioned in section 149(6) of the Companies Act, 2013.

Mr Chudasma is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, in terms of section 149(13) of the Companies Act, 2013, an independent director is not liable to retire by rotation. Therefore, in terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr Chudasma being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto August 5, 2019.

The Company has received from Mr Chudasma –

- (i) Intimation in Form DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of section 164 of the Companies Act, 2013.
- (ii) A declaration to the effect that he meets the criteria of independence as provided under sub section (6) of section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr Chudasma fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and he is independent of the management. Copy of the draft letter for appointment of Mr Chudasma as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr Chudasma as an Independent Director.

This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchanges.

None of the Directors or KMPs of the Company or their relatives except Mr Akshay Chudasma himself is concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no.12 for your consideration and approval.

Item No. 13

Ms Pallavi Shroff, was appointed by the Board as an additional Director on the Board of your Company w.e.f. May 15, 2014, pursuant to section 161(1) of the Companies Act, 2013. Ms Shroff, holds office upto the date of the ensuing annual general meeting. A notice under section 160 of the Companies Act, 2013 has been received from a member along with a deposit of ₹ 1 lac proposing the candidature of Ms Shroff as a Director of the Company.

Ms Shroff, aged about 58 years, serves Partner at Amarchand & Mangaldas & Suresh A. Shroff & Co., Advocates & Solicitors, New Delhi. Ms Shroff experience includes ad-hoc arbitrations and institutional arbitrations under ICC, LCIA, UNCITRAL etc. She has experience in arbitrations arising from shareholders' disputes, construction disputes, and investment related and international arbitrations in the energy sector. She has successfully represented International giants like GE, Coca-Cola, Nestle, Indian Oil Corporation, Videocon, ICICI Bank, Tatas, Apollo Tyres etc. and in various domestic disputes and domestic international arbitrations.

Ms Shroff holds Directorship in the following companies:-

Director - Amarchand Mangaldas Properties Pvt. Ltd., Juniper Hotels Pvt. Ltd., First Commercial Services India Pvt. Ltd., First Full Services Pvt. Ltd, Amarchand Towers Property Holdings Pvt. Ltd., PSNSS Properties Pvt. Ltd., Baghbaan Properties Pvt. Ltd., Maruti Suzuki India Ltd., Trident Ltd., Artemis Medicare Services Ltd., Artemis Healthcare Sciences Ltd., UVAC Centre (India) Pvt. Ltd., First Universal Virtual International Arbitration Centre Pvt. Ltd., Aavanti Realty Pvt. Ltd., GE Capital Service India, Amarchand & Mangaldas & Hiralal Shroff & Co and PTL Enterprises Ltd.

Ms Shroff also holds Membership of Committees in the following companies:-

Audit Committee

Member - Maruti Suzuki India Ltd. and Juniper Hotels Pvt. Ltd.

She is not holding any shares of the Company.

Section 149 and section 152 of the Companies Act, 2013 inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of special resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the annual general meeting.

The new provisions further provide that the Independent Directors shall give a confirmation of independence and meeting of the prescribed criteria, as mentioned in section 149(6) of the Companies Act, 2013.

In terms of section 149 and other applicable provisions of the Companies Act, 2013, Ms Shroff being eligible and offering herself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto May 14, 2019.

The Company has received from Ms Shroff –

- (i) Intimation in Form DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of section 164 of the Companies Act, 2013.
- (ii) A declaration to the effect that he meets the criteria of independence as provided under sub section (6) of section 149 of the Companies Act, 2013.

In the opinion of the Board, Ms Shroff fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and she is independent of the management. Copy of the draft letter for appointment of Ms Shroff as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms Shroff as an Independent Director.

This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchanges.

None of the Directors or KMPs of the Company or their relatives except Ms Shroff herself is concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no.13 for your consideration and approval.

Item No. 14

In order to meet Capital expenditure (Capex) requirements including expansion of the Truck & Bus radial tyre capacity at the Chennai plant and conversion of the Company's leased operated plant at Kalamassery from bias truck tyres to specialty/industrial tyres to pursue Company's organic growth opportunities and for other corporate purposes, the Board in its meeting held on July 2, 2014, proposed to raise

funds through Rights issue / Preferential issue /Private placement(s)/QIP/ Public Issue of equity shares at par or premium, Convertible or Non Convertible Debentures with Warrants and/or by way of issue of FCCB's and/or such other instruments and on such terms and conditions as may be decided by the Board or Committee thereof upto USD 200 million as detailed in resolution no. 14 of the Notice.

Consent of the shareholders is sought for issuing Securities as stated in the Resolutions, which would result in issuance of further Equity Shares of the Company in accordance with the terms and nature of the Securities. The Board, in consultation with its Lead Managers, Merchant Bankers and other Advisors, will finalize detailed terms of the issue including the pricing of the issue which will be fixed keeping in view the capital market conditions / practices and guidelines, if any, issued by the Securities and Exchange Board of India (SEBI).The proposed Resolution is an enabling resolution to authorize the Board of Directors to mobilize adequate resources to meet the growing needs of the Company by way of Rights issue / Preferential issue /Private placement(s)/QIP/ Public Issue of equity shares at par or premium, Convertible or Non Convertible Debentures with Warrants and/or by way of issue of FCCB's and/or such other instruments and/or other mechanism on such terms and conditions as may be decided by the Board. In case of QIP, the Company may offer a discount of not more than 5% or such percentage as permitted under applicable law on the price determined pursuant to the ICDR Regulations. Under the proposed Special Resolution, consent of the shareholders is sought pursuant to the provisions of section 62 (1)(c) and all other applicable provisions of the Companies Act, 2013 and the rules framed there under and in terms of the provisions of the Listing Agreements executed by the Company with Stock Exchanges in India where the Company's Securities are listed.

Basis of justification of price: The pricing of the securities to be issues to qualified institutional buyers pursuant to Chapter VIII of the ICDR Regulations shall be determined by the Board subject to such a price not being less than the price calculated in accordance with Regulation 85 of the Chapter VIII of the ICDR Regulations.

Section 62 (1) (c) of the Companies Act, 2013 and clause 23 of the Listing Agreement provide, inter alia, that when it is proposed to increase the issued capital of a Company by allotment of further shares, such further shares shall be offered to the existing shareholders of the Company in the manner laid down in the section unless the shareholders decide otherwise.

Since the Special Resolution proposed may result in issue of Equity Shares of the Company otherwise than to the members of the Company, consent of the Shareholders is being sought pursuant to the provisions of sections 23, 42 and 62(1) (c) and all other applicable provisions of the Companies Act, 2013 and the Listing Agreements.

The Directors or KMPs of the Company or their relatives may be deemed to be concerned or interested in the resolution to the extent of shares held by them in the company and to the extent of further shares that may be offered, if any.

The Special Resolutions at item no. 14 are therefore, placed for approval of the members.

Item No. 15

In order to augment long term resources for financing the repayment of existing debt and/or for general corporate purposes, the Board in its meeting held on July 2, 2014, proposed to seek the approval of shareholders through special resolution to raise funds not exceeding ₹ 500 crore through Issue of Unsecured/Secured Non-Convertible Debentures (NCDs) through Private Placement, in one or more tranches within overall borrowing limits of the company as approved by the members from time to time, on such terms and conditions as may be decided by the Board or Committee thereof, as detailed in resolution no. 15 of the Notice.

As per provisions of Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, a company shall not make a Private Placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Shareholders of the Company by a Special Resolution for each of the offers or invitations. However, in case of offer or invitation for "non-convertible debentures", it shall be sufficient if the company passes a previous Special Resolution only once in a year for all the offers or invitations for such debentures during the year.

Further, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board, shall be authorized to determine the terms of the Issue, including the class of investors to whom the NCDs are to be allotted, the number of NCDs to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of bond/debenture holders, listing, issuing any declaration / undertaking etc. required to be included in the Private Placement Offer Letter and any other regulatory requirement for the time being in force.

The Board of Directors of the Company, at its Meeting held on July 2, 2014 has approved the above proposal and recommends the passing of the proposed Special Resolution as contained in the Notice, by members of the Company.

The approval of the Members is being sought by way of a Special Resolution under Section 42 of the Act read with the Rules made there under, to enable the Company to offer or invite subscriptions for NCDs on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No. 15, within the overall borrowing limits of the Company, as approved by the Members from time to time.

The Directors or Key Managerial Personnel or their relatives do not have any concern or interest, financial or otherwise, in passing of the said Special Resolution.

The Board of Directors recommends resolution set out at item no. 15 for your consideration and approval.

Item No. 16

In terms of Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, the Foreign Institutional Investors ("FIIs") registered with SEBI can acquire and hold on their own account and on behalf of their SEBI approved sub-accounts together, up to an aggregate limit of 24% of the paid up Equity Share capital of an Indian Company. The said Regulations further provide that the limit of 24% can be further increased up to the sectoral cap/statutory ceiling as applicable, by passing a Resolution of the Board, followed by a Special Resolution to that effect by its members.

At the annual general meeting of the Company held on July 26, 2007, the Members, by a Special Resolution, had increased the limit for investments by FIIs to 30% of the Company's paid-up Equity Share Capital and further to 40% by passing a resolution through postal ballot on November 6, 2012.

As your Company proposes to raise funds, this would evince potential interest from FIIs in the Company. Therefore, the Board had at its Meeting held on July 2, 2014 decided to increase the aggregate permissible limit of FIIs Equity Shareholding in the Company from 40% to 45% of the paid-up Equity Share Capital of the Company, subject to the approval of the Members.

Accordingly, the Resolution set out at Item no. 16 of the Notice is proposed to enable the FIIs to acquire equity shares of the Company up to the revised ceiling limit of 45% of the paid-up Equity Share Capital of the Company under the Portfolio Investment Scheme of the Reserve Bank of India.

None of the Directors or KMPs of the Company or their relatives is concerned or interested in the resolution.

The Board recommends the passing of the Resolution under Item no. 16 as a Special Resolution.

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

Item No. 3

Mr P H Kurian, aged about 55 years has been nominated on the Board by Govt. of Kerala with effect from December 11, 2013. He is the Principal Secretary (Industries & IT) Department with Kerala Govt. and a senior bureaucrat with vast experience in civil services. He joined the Board of Directors of the Company in the year 2013.

He is not holding any shares in the Company

Mr Kurian holds Chairmanship/Directorship in the following companies:-

- | | | |
|----------|---|--|
| Chairman | - | Malabar Cements Ltd., Transformers & Electricals Kerala Ltd., Western India Kinfra Ltd., Rubber Park India Pvt. Ltd., ICICI Kinfra Ltd., KINESCO Power & Utilities Pvt. Ltd. and Kottayam Port & Container Terminal Services. |
| Director | - | Kerala Minerals & Metals Pvt. Ltd., Kerala State IT Infrastructure Ltd., Kerala Gail Gas Ltd., Infrastructure Kerala Ltd., Bharat Petroleum Corporation Ltd., Smart City (Kochi) Infrastructure Pvt. Ltd., Nitta Gelatin India Ltd., Kerala Academy for Skills Excellence Pvt Ltd., Marine Products Infrastructure Development Corporation Ltd., Geojit BNP Paribas Financial Services Ltd., Symphony TV & Entertainments Pvt. Ltd. and PTL Enterprises Ltd. |


None of the Directors or KMPs of the Company or their relatives except Mr Kurian himself is concerned or interested in the resolution.

Item No. 6 to 13

For the details of Mr A K Purwar, Mr K Jacob Thomas, Mr Nimesh N Kampani, Mr Robert Steinmetz, Dr S Narayan, Mr Vikram S Mehta, Mr Akshay Chudasama and Ms Pallavi Shroff please refer to Item Nos. 6 to 13 of the Special Business in the Explanatory Statement of this Notice.

Place: Gurgaon
Dated: July 2, 2014

By Order of the Board
For **Apollo Tyres Ltd**



(P N Wahal)
Company Secretary

