

APOLLO TYRES LTD
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ONLINE FILING

ATL/SEC-21

November 13, 2018

The Secretary, National Stock Exchange of India Ltd., Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	The Secretary, BSE Ltd. PhirozeJeejeebhoy Towers, Dalal Street, Mumbai – 400001.
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Dear Sirs,

Sub: Outcome of Board Meeting held on November 13, 2018

This is to inform you that the Board of Directors at its meeting held today, inter alia, considered and approved the following:

- (i) Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter/half year ended September 30, 2018.
- (ii) Seeking authorisation of the shareholders vide special resolution through postal ballot for Re-appointment of Mr. Neeraj Kanwar as Managing Director with effect from May 28, 2019 till March 31, 2024.

The cut-off date for eligible shareholders to get notice of postal ballot and E-Voting has been fixed as November 16, 2018.

- (iii) Approved and taken on record the voluntary surrender of partial remuneration by promoters for their current term. A Board Statement is attached herewith.

The meeting of the Board of Directors commenced at 11:30 AM and concluded at 2:25 PM.

Submitted for your information & records.

Thanking you,

Yours faithfully,
For APOLLO TYRES LTD.

(SEEMA THAPAR)
COMPANY SECRETARY
Encl : as above

BOARD STATEMENT ON PROMOTERS' COMPENSATION

Following on from its last meeting on October 1, 2018, where the matter of re-appointment of Neeraj Kanwar as Vice Chairman and Managing Director of the company was discussed, the Nominations & Remuneration Committee (NRC) of the Board of Directors of Apollo Tyres Ltd engaged with a range of institutional shareholders to take their views into consideration, and commissioned an independent report from Ernst & Young (EY) to **benchmark Managing Directors' compensation structures and amounts**. This twin process of consultation and external benchmarking has resulted in a significantly revised proposal from the NRC for the compensation package to renew Neeraj Kanwar's contract from May 2019. **The revised proposal would result in a reduction of approximately 30% in overall compensation for both the promoters, Neeraj Kanwar and Onkar S Kanwar.**

Respecting the spirit of this change, both Onkar S Kanwar and Neeraj Kanwar have voluntarily agreed to reduce their compensation for FY19 with immediate effect to fall in line with the new recommendations.

There are three substantive changes that the Board now recommends to shareholders for approval:

1. A cap on total promoter compensation is set at 7.5% of Profit Before Tax (PBT)
2. Performance-based remuneration will be targeted at approximately 70% of the total compensation
3. Annual increments for the fixed portion of promoter compensation will be in line with that of the senior professionals of the company

The NRC has further recommended, and the Board taken on record, that the 7.5% cap be further reduced over a period of time.

These adjustments take into account the feedback received from **institutional shareholders**, and are in line with the independent external bench-marking study. In light of this, the Board of Apollo Tyres strongly recommends that the contract is renewed under the revised terms.

(ends)

