

7th December 2012.

Shri K. Jacob Thomas,
Director,
Apollo Tyres Ltd.,
6th Floor, Cherupushpam Bldg.,
Shanmugham Road,
Kochi - 682031(Kerala)

POSTAL BALLOT - SCRUTINIZER'S REPORT

I, P.P. Zibi Jose, Practicing Company Secretary, the Scrutinizer appointed to the Postal Ballot process of your company, pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011, hereby report the results of the Postal Ballots exercised by the shareholders in respect of the Special resolution mentioned in the Notice to the Postal Ballot dated 02-11-2012, as follows:-

Issue of Convertible Warrants to Promoters/Promoter Group on Preferential Basis as a Special Resolution

	PBF/E-Voting
Number of Postal Ballots received (PBF/E-Voting)	637
Total number of valid votes	279070076
Votes cast in favour of the Resolution	279031399
Votes cast against the Resolution	38677
Votes abstained from casting	0
Requisite majority of votes for carrying the resolution as a Special Resolution	116031
Majority of votes received in favour of the Resolution	278992722
Number of invalid Postal Ballots	5
Number of invalid votes	3100

Result:- The Resolution for Issue of Convertible Warrants to Promoters/Promoter Group on Preferential Basis **is passed as a Special Resolution** as the votes cast in favour of the resolution are more than three times the number of votes cast against the resolution.



P.P. Zibi Jose
(Practising Company Secretary)
SCRUTINIZER

P.P. ZIBI JOSE M. Com, MBA, FCS, LLB.
COMPANY SECRETARY
C.P. NO:1222
61/2939, TEN ROSE, S.R.M ROAD, COCHIN -18
PH : 2401685 / 2401684

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RESULTS OF THE POSTAL BALLOT

Pursuant to Section 192A of the Companies Act, 1956 read with The Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011 and pursuant to the Report dated 07-12-12 of Mr. P. P. Zibi Jose (Practising Company Secretary), Scrutinizer appointed for the Postal Ballot process, I, K. Jacob Thomas, Director of the Company, hereby declare that the following resolution proposed to the Members for their approval vide Postal Ballot Notice dated 02-11-2012, are approved by them through the Postal Ballot voting:-

Issue of Convertible Warrants to Promoters/Promoter Group on Preferential Basis as a Special Resolution:-

“RESOLVED THAT pursuant to Section 81(1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the “Act”) and pursuant to the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations”) as in force and subject to all other applicable rules, regulations and guidelines of the Securities and Exchange Board of India (“SEBI”), the applicable provisions of Foreign Exchange Management Act, 1999 (“FEMA”), if any, and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with Stock Exchanges where the equity shares of the Company are listed, and subject to requisite approvals, consents, permissions and/or sanctions of SEBI, the Stock Exchanges, Reserve Bank of India (“RBI”), Department of Industrial Policy and Promotion, Ministry of Commerce (“DIPP”), the Foreign Investment Promotion Board (“FIPB”), and all other authorities as may be required (“Appropriate Authorities”), and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction (“Requisite Approvals”), which may be agreed to by the Board of Directors of the Company (the “Board”, which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot convertible warrants for cash not exceeding 2,75,00,000 in number (the “Warrants”) in one or more tranches with each Warrant carrying an option/entitlement to subscribe to one number of Equity Share of Re.1/- each of the Company, in exchange of each Warrant on a future date, i.e., entitlement to subscribe to a maximum of 2,75,00,000 equity shares of Re.1/- each (in aggregate) representing 5.46% of the existing issued and paid-up share capital of the Company, on quarterly rests within a period not exceeding 18 months from the date of issue of Warrants, to the following entity(ies), as specified against each of their name(s) (the “Allottees”):

S. No.	Name of the Proposed Allottee(s)	Maximum Number of Warrants to be allotted
1.	Sunrays Properties & Investment Company Pvt. Ltd.	1,50,00,000
2.	Motlay Finance Pvt Ltd.	75,00,000
3.	Sacred Heart Investment Company Pvt Ltd.	50,00,000

“RESOLVED FURTHER THAT the offer, issue and allotment of the equity shares resulting from the exercise of the entitlement of the Warrant holders to subscribe to the equity shares shall be made at quarterly rests for a period of 18 months or at other such time(s) as the Board may in its absolute discretion decide, subject however, to applicable rules, regulations, guidelines, notifications and the terms and conditions given hereinbelow:

- A) The price including premium of the equity shares to be allotted on exchange of the Warrants to the Allottees shall not be lower than the minimum price specified as per Chapter VII of the SEBI ICDR Regulations, considering 30 days prior to the date of declaration of results of the Postal Ballot, as may be decided by the Board, as the relevant date. The relevant date for determining the price of the equity shares to be allotted on exchange of the Warrants shall be the date which is 30 days prior to the date of declaration of results, i.e., 30 days prior to 7th December, 2012, which is deemed to be the date of the General Meeting passing the Resolution in accordance with Section 192A of the Act, read with relevant rules thereunder.

Currently, the SEBI ICDR Regulations provide that the issue of equity shares on preferential basis can be made at a price not less than higher of the following (subject to re-computation in terms of Chapter VII of the SEBI ICDR Regulations where required, and provided that the lock-in under the SEBI ICDR Regulations shall continue until the additional amount, if any, required to be paid by the Allottees in accordance with such re-computation is duly paid):

- The average of the weekly high and low of the closing prices of the related equity shares quoted on the recognized stock exchange during the six months preceding the relevant date; Or
- The average of the weekly high and low of the closing prices of the related equity shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.

Further, in the event of the proposed qualified institutional placement (“QIP”) under Chapter VIII of the SEBI ICDR Regulations being completed prior to the issue and allotment of Warrants to the Allottees, the price including premium of the equity shares to be allotted on exchange of the Warrants shall not be lower than the price at which equity shares may be allotted to qualified institutional buyers, if any, pursuant to the QIP.

- B) Each of the Warrants shall have face value of such sum that will be equivalent to the 25% of the price of the equity share to be issued in exchange of Warrants in terms of this Resolution and Chapter VII of the SEBI ICDR Regulations and will be paid as up-front at the time of allotment of Warrants and no allotment shall be made to any persons or entities ineligible to acquire securities pursuant to a preferential allotment under Chapter VII of the SEBI ICDR Regulations or under any other applicable laws.
- C) Each of the Warrants shall carry a right, entitling its registered owner to apply for, at his option, and seek allotment of one Equity Share of Re.1/- each upon exchange of the Warrant to the Company along with balance 75 % of the issue price of the Equity Share.

- D) Against each of the Warrants, the registered owner of the Warrant shall be entitled to apply for at his option, and seek allotment of one Equity share in the manner aforesaid, within the period not exceeding 18 months from the date of issue of the Warrants. The Board, at its discretion, shall decide the time within which the application for equity shares in exchange of the Warrants shall be made subject to the aforesaid time limit.
- E) In case the Warrant holder does not apply for equity shares of the Company in exchange of the Warrants allotted within the time that may be fixed by the Board in this regard, then the amount paid up on each of the Warrants shall be forfeited and all the rights attached to the Warrants shall lapse automatically.
- F) Upon exchange of each of the Warrants, the amount paid up thereon shall be credited, adjusted and applied towards share application money, for which the holder of the Warrant is entitled to apply.
- G) The equity shares to be offered, issued and allotted as aforesaid against exchange of the Warrants upon exercise of the option by the Warrant holder, shall be subject to the provisions of the Memorandum and Articles of Association of the Company and on allotment, such equity shares shall rank *pari passu* in all respects with the existing equity shares of the Company.
- H) Each of the Warrants and the equity shares to be offered, issued and allotted as aforesaid, upon exchange of the Warrants by the holder thereof, as also the entire pre-preferential equity shares held, if any, by the Allottees, shall be subject to lock in for such period as may be prescribed for preferential issues under Chapter VII of the SEBI ICDR Regulations.
- I) The Warrant by itself shall not give to the holder thereof any rights of the shareholders of the Company.
- J) The option attached to each of the Warrants shall be independent of each other.

“RESOLVED FURTHER THAT subject to the applicable statutory provisions, rules, regulations, guidelines and notifications the Board be and is hereby authorized to decide, modify, alter and amend the terms of issue, offer and allotment of the Warrants and the equity shares resulting from the exercise of the option attached to each of the Warrants by its holder;

PROVIDED THAT the equity shares resulting from the exercise of the option attached to each of the Warrants under this Resolution shall be fully paid-up at the time of their allotment and no allotment shall be made to any persons whose existing shareholding in the Company, if any, is not in dematerialised form.”

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such deeds, matters and things as it may in its absolute discretion deem necessary desirable or expedient to the issue or allotment of Warrants and the listing thereof of the Warrants and upon exercise of Warrants, the equity shares, with the stock exchange(s) with which the Company's equity shares are listed and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the Warrants,



utilization of the issue proceeds and to do all acts deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred by this Resolution on it to any Committee of Directors or the Chairman or any other Director(s) or officer(s) of the Company to give effect to the aforesaid Resolution."

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



(K. JACOB THOMAS)
DIRECTOR