JK TYRE & INDUSTRIES LTD.

Link House, 3, Bahadur Shah Zafar Marg, New Delhi-110 002

NOTICE

NOTICE is hereby given that an Extra-ordinary General Meeting of the Members of JK Tyre & Industries Limited will be held at Shripati Singhania Hall, Rotary Sadan, 94/2, Jawaharlal Nehru Road (Chowringhee Road), Kolkata -700 020 on Tuesday, 3rd December, 2013 at 11.30 A.M. to transact the following business:

To consider and if thought fit to pass, with or without modification(s), the following as Special Resolution:

"RESOLVED that pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as "SEBI (ICDR) Regulations") and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and the provisions of Memorandum and Articles of Association of the Company, and subject to such approval(s), consent(s), permission(s) and/or sanction(s), if any, as may be required in this regard and further subject to such term(s), condition(s), alteration(s), correction(s), change(s) and/or modification(s), as may be prescribed or imposed by such authorities while according such approval(s), consent(s), permission(s) and/or sanction(s), if any, and agreed to by the Board of Directors of the Company, which term shall deem to include Committee of Directors (hereinafter referred to as "the Board"); consent, approval and authority of the Company be and is hereby accorded to the Board, to create, issue, offer and allot further capital out of unissued capital of the Company, in one or more tranches, upto 43,03,350 Warrants on preferential basis to one or more constituents of the Promoter(s) and/or Promoter Group of the Company at such price as may be determined in accordance with the SEBI (ICDR) Regulations with respect to the Relevant Date i.e., 1st November, 2013, entitling the holder(s) of each such Warrant to apply for and obtain allotment of one Equity Share of face value of ₹10/- each against each such Warrant, on the terms of Issue contained in the Explanatory Statement annexed hereto, which shall be deemed to form part hereof.

RESOLVED further that the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon exercise of option by Warrant holder(s) or as may be necessary in accordance with the terms of the Issue.

RESOLVED further that the Equity Shares allotted on conversion of Warrants in terms of this Resolution shall rank pari passu in all respects including as to dividend, with the existing fully paid-up Equity Shares of face value of ₹ 10/- each of the Company, subject to the relevant provisions contained in the Memorandum and Articles of Association of the Company.

RESOLVED further that for the purpose of giving effect to the above, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion deem necessary, desirable or expedient for the purpose of the issue or allotment of the aforesaid Warrants and listing of the Equity Shares on conversion thereof with the Stock Exchanges and to resolve and settle any questions or difficulties that may arise in the proposed issue, offer and allotment of the said securities, utilization of issue proceeds, and to do all such acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members."

By Order of the Board

Regd. Office:
7, Council House Street,
Kolkata-700 001
Date: 24th October 2013

Pawan Kumar Rustagi
Vice President (Legal)
& Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Explanatory Statement setting out the material facts is annexed hereto.
3. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.

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

As per Section 81(1A) of the Companies Act, 1956 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI (ICDR) Regulations"), consent of the Members of the Company by way of a Special Resolution is required for allotment of Warrants on preferential basis to one or more constituents of the Promoter(s) and/or Promoter Group of the Company entitling the holder(s) of each such Warrant to apply for and obtain allotment of one Equity Share of the face value of ₹ 10/- each against such Warrant.

The Board of Directors of the Company, at its meeting held on 24th October 2013, subject to necessary approval(s), has approved the proposal for issuing 43,03,350 Warrants convertible into Equity Shares on preferential basis to one or more constituents of the Promoter(s) and/or Promoter Group on the following terms:

A. Terms of the Issue:

1. (a) The holder(s) of each Warrant will be entitled to apply for and obtain allotment of one Equity Share of face value of ₹10/- each of the Company against each Warrant at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment, in one or more tranches.
   (b) If the entitlement against the Warrants to apply for the Equity Shares is not exercised with in the aforesaid period of 18 months, the entitlement of the Warrant holder(s) to apply for Equity Shares of the Company along with the rights attached thereto shall expire and any amount paid on such Warrants shall stand forfeited.
2. (a) The proposed allottee(s) of the Warrants shall pay, on or before the date of allotment of the Warrants, an amount equivalent to at least 25% of the price per Warrant fixed in terms of the SEBI (ICDR) Regulations and the balance 75% of the price shall be payable on or before the conversion of the said Warrants into Equity Shares. The amount so paid on the Warrants shall be adjusted/set-off against the issue price of the resultant Equity Shares arising out of conversion of the Warrants by appropriating ₹10/- towards Equity Share Capital of the Company and the balance amount towards securities premium.
   (b) In terms of the SEBI (ICDR) Regulations, the price of each Warrant shall not be less than higher of the following:
      i) The average of the weekly high and low of the closing prices of the Equity Shares of the Company quoted on the recognized stock exchange during the twenty six weeks preceding the Relevant Date; or
      ii) The average of the weekly high and low of the closing prices of the Equity Shares of the Company quoted on the recognized stock exchange during the two weeks preceding the Relevant Date.

The price shall be determined on the basis of the price of the Equity Shares of the Company available on the recognized Stock Exchange having highest trading volume during the preceding twenty six weeks prior to the Relevant Date.

(c) The Relevant Date for the purpose of pricing of the Warrants shall be 1st November 2013, being the date which is 30 days prior to the date of this Meeting, determined in accordance with SEBI (ICDR) Regulations.

3. In the event of the Company making a bonus issue by way of capitalization of its reserves, prior to allotment of Equity Shares against the Warrants, the number of Equity Shares to be allotted against such Warrants shall stand augmented in the same proportion in which the Equity Share Capital increases as a consequence of such bonus issue.
4. In the event of the Company making a rights offer by way of issue of new Equity Shares prior to allotment of Equity Shares against the Warrants, the entitlement of the Equity Shares under the Warrants shall stand increased in the same proportion in the rights offer and such additional Equity Shares will be offered to the Warrant holder(s) at the same price at which the existing shareholders are offered Equity Shares.
5. The Warrants as well as the Equity Shares arising out of exercise of right attached to the Warrants shall be subject to lock-in in terms of the SEBI (ICDR) Regulations.
6. The Warrants by itself, until converted into Equity Shares, does not give to the holder(s) thereof, any right with respect to that of a Member of the Company except as specified above.

B. The relevant disclosures as required under the SEBI (ICDR) Regulations are as follows:

a) The Object(s) of the Preferential Issue:

With a view to augment the Net Worth of the Company, it is proposed to offer upto 43,03,350 Warrants convertible into Equity Shares as mentioned above, on preferential basis to the constituents of the Promoter(s) and/or Promoter Group as mentioned hereunder. This will also strengthen the financial base of the Company and maximize overall value for all shareholders of the Company.

b) The proposal of the Promoters, Directors or Key Management Personnel of the Company to subscribe to the offer:

The preferential issue is being made to the constituents of the Promoter(s) and/or Promoter Group of the Company which also include Dr. Raghupati Singhania, Chairman & Managing Director and Shri Bharat Hari Singhania, Managing Director, as mentioned hereunder.

c) Shareholding Pattern of the Company before and after the Preferential Issue:

The shareholding pattern giving the present position as also considering full allotment of Warrants to the constituents of Promoter(s) and/or Promoter Group and Equity Shares arising out of the conversion thereof is given below:-

Category	Before Preferential Issue		After Preferential Issue	
	No. of Equity Shares	% of holding	No. of Equity Shares	% of holding
Promoter/Promoter Group	1,94,39,481	47.34	2,37,42,831	52.34
Mutual Funds/UTI	3,29,105	0.80	3,29,105	0.72
Financial Institutions/Banks	12,892	0.03	12,892	0.03
Central Government/State Government(s)	2,85,520	0.70	2,85,520	0.63
Insurance Companies	18,96,452	4.62	18,96,452	4.18
FIIs/OCB/NRIs	80,54,321	19.62	80,54,321	17.76
Resident Individuals/ Others	1,10,41,575	26.89	1,10,41,575	24.34
Total	4,10,59,346	100.00	4,53,62,696	100.00

Above shareholding pattern is based on the details as on 18th October 2013.

d) The time within which the Preferential Issue shall be completed:

In terms of the SEBI (ICDR) Regulations, the Company shall complete allotment of Warrants pursuant to this Resolution within a period of 15 days from the date of passing of this Resolution by the Members of the Company.

e) The identity of the proposed allottees and the percentage of post preferential issue capital that may be held by them is as follows:

Name(s) of the proposed allottee(s) and [the natural person(s) who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control]	Before Preferential Issue		After Preferential Issue	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
Bengal & Assam Company Ltd.(BACL) [Not Applicable (N.A.), being a Listed Company]	85,89,250	20.92	1,10,14,850	24.28
BMF Investments Ltd. [N.A., being a step-down subsidiary of BACL]	4,91,000	1.20	15,61,500	3.44
Florence Investech Ltd. [N.A., being a Listed Company]	60,34,070	14.70	65,31,820	14.40
Shri Bharat Hari Singhania	1,40,914	0.34	1,86,414	0.41
Dr. Raghupati Singhania	46,798	0.11	1,78,798	0.39
Smt. Vinita Singhania	11,297	0.03	1,43,297	0.32

Any of the Warrants proposed to be issued as above, that may remain unsubscribed for any reason whatsoever, may be offered and allotted by the Board in its absolute discretion to any person/ entity/investor forming part of, or controlled by, the Promoter(s) and/or Promoter Group, on the same terms and conditions.

The proposed preferential allotment will not result in any change in control of the Company.

f) Auditors' Certificate:

The Auditors' Certificate certifying that the issue is being made in accordance with the requirements of SEBI (ICDR) Regulations, will be placed before the Members at the Extra-ordinary General Meeting of the Company and will also be available for inspection at the Registered Office of the Company on all working days between 10.30 AM to 1.0 PM prior to the date of Meeting.

g) Undertakings:

In terms of SEBI (ICDR) Regulations, the Company hereby undertakes that:

i) It shall re-compute the price of the securities specified above in terms of the provision of these Regulations where it is required to do so.

ii) If the amount payable on account of the re-computation of price is not paid within the time stipulated in these Regulations, the securities specified above shall continue to be locked-in till the time such amount is paid by the allottees.

The Resolution is in the interest of the Company and its Members and accordingly recommended for approval of the Members by means of a Special Resolution.

None of the Directors and the Key Managerial Personnel (KMP) of the Company or their relatives are in any way, concerned or interested in the above resolution except:

Dr. Raghupati Singhania and Shri Bharat Hari Singhania as part of the promoter group, as proposed allottees and also as Directors of BACL, and their relatives. Shri Vikrampati Singhania as a relative and Shri O.P. Khaitan as a Director of BACL. Shri A.K. Kinra (KMP) as a Director of BACL, BMF Investments Ltd. and Florence Investech Ltd. and Shri P.K. Rustagi (KMP) as a Director of BMF Investments Ltd. Smt. Vinita Singhania (relative of Directors) as a relative and also as a Director of BACL.

By Order of the Board

Regd. Office:
7, Council House Street,
Kolkata-700 001
Date: 24th October 2013

Pawan Kumar Rustagi
Vice President (Legal)
& Company Secretary

JK TYRE & INDUSTRIES LTD.

Regd. Office: 7, Council House Street, Kolkata-700 001

ADMISSION SLIP

Folio No. or DP-Id # / Client-Id#	
No. of Shares held	

I hereby record my presence at the Extra-ordinary General Meeting of the Company being held at Shripati Singhania Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road), Kolkata-700 020 on Tuesday, the 3rd December, 2013 at 11.30 A.M.

Name of the Member *(in block letters)*	
Name of the Proxy-holder/ Authorised representative* *(in block letters)*	

* Strike out whichever is not applicable.
# Applicable for investors holding shares in dematerialised form

Signature of the Member/Proxy/Authorised Representative*

Notes : 1. A member/proxy/authorised representative wishing to attend the Meeting must complete this Admission Slip before coming to Meeting and hand it over at the entrance.

2. If you intend to appoint a proxy, please complete, stamp, sign and deposit the Proxy Form given below at the Company's Registered Office at least 48 hours before the Meeting.

JK TYRE & INDUSTRIES LTD.

Regd. Office: 7, Council House Street, Kolkata-700 001

PROXY FORM

Folio No. or DP-Id # / Client-Id#	
No. of Shares held	

I/We.....of

.....being a member/members of JK Tyre & Industries Ltd. hereby appoint

Shri/Smt./Km.....of.....

or failing him/her Shri/Smt./Km.....of.....

or failing him/her Shri/Smt./Km.....of.....

as my / our proxy in my / our absence to attend and vote for me / us and on my / our behalf at the Extra-ordinary General Meeting of the Company to be held on Tuesday, the 3rd December, 2013 at 11.30 A.M. and at any adjournment thereof.

Signed this.....day of.....2013

Applicable for investors holding shares in dematerialised form.

Signature(s).....

Affix Revenue Stamp

Note : The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.