

JK Tyre & Industries Ltd.

Minutes of the proceedings of the 60th Annual General Meeting of JK Tyre & Industries Ltd. held at Shripati Singhania Hall, Rotary Sadan, 94/2, Jawaharlal Nehru Road (Chowringhee Road), Kolkata-700 020 on Wednesday, the 14th August 2013 at 11 A.M.

Present :

1. Dr. Raghupati Singhania, Chairman & Managing Director
2. Shri Arvind Singh Mewar, Director
3. Shri Bakul Jain, Director
4. Shri Kalpataru Tripathy, Director
5. Shri O.P. Khaitan, Director
6. Shri Vimal Bhandari, Director
7. Shri Bharat Hari Singhania, Managing Director
8. Shri Vikrampati Singhania, Dy. Managing Director
9. Shri Swaroop Chand Sethi, Whole-time Director
10. Shri Arun K. Bajoria, President & Director

And

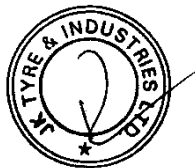
827 Members were present (including Directors who are also members) in person or through their authorised representatives and 96 Members were present through proxies as per the record of attendance at the meeting kept by the Company.

In attendance :

Shri A.K. Kinra, Finance Director
Shri PK Rustagi, Vice President (Legal) & Company Secretary
Shri Sanjiv Saxena, Vice President (Corp. Accounts)
Shri Saurabh Chhajera, Partner, M/s Lodha & Co., Statutory Auditors

1. Chairman : Dr. Raghupati Singhania, Chairman of the Board of Directors took the Chair.
2. Quorum and Welcome : The requisite Quorum being present, the Chairman declared the meeting as properly constituted.

The Chairman extended a warm welcome to the Members of the Company to the 60th Annual General Meeting and after introduction of the Directors and other persons sitting on dais, proceeded to transact the business.



3. Tribute to
Shri Hari
Shankarji
Singhania :

At the outset, the Chairman paid respectful homage to Late Shri Hari Shankarji Singhania, who passed away on 22nd February 2013 and who led the Company as its Chairman for nearly four decades and was President of J.K. Organisation. The Chairman stated, "He was an extra ordinary human being, an iconic industrialist with rare business acumen, exemplary leader and an outstanding visionary. Hari Shankarji not only contributed immensely to the growth and leadership position of your Company but also in industrialization and economic development of India. I, on your behalf, would like to place on record, our deep sense of appreciation for the valuable services rendered by Hari Shankarji to the Company during his very long association. We stand committed to carry forward his legacy, ideals, philosophy and values to take the Company to still greater heights. This to my mind, would be the best tribute to his noble soul."

As a mark of respect to the departed soul, one minute silence was observed.

4. Register of
Directors'
Shareholdings :

Placing on the table the Register of Directors' Shareholdings maintained by the Company pursuant to Section 307 of the Companies Act 1956, the Chairman informed the Members present that the said Register would remain open and accessible during the continuance of the Meeting to every person having the right to attend the meeting.

5. Notice :

Notice dated 27th May 2013, convening the Annual General Meeting was taken as read by general consent.

6. Auditors'
Report :

Report of M/s Lodha & Co., the Company's Auditors, dated 27th May 2013 on the Balance Sheet as at 31st March 2013 of the Company and the Profit and Loss Account of the Company for the twelve months period ended on 31st March 2013 was read.

7. Chairman's
Address :

The Chairman addressed the shareholders.



8. Directors' Report & Accounts :

The Directors' Report to the Members and the audited Statement of Accounts for the twelve months period ended 31st March 2013 having already been circulated to the Members, were taken as read by general consent.

The Chairman moved the following Resolution regarding adoption of Accounts and Reports of Auditors and Directors thereon :

"RESOLVED that the Audited Accounts of the Company for the financial year ended 31st March 2013 and the Reports of the Auditors and the Directors thereon, already circulated to the members and now submitted to this Meeting be and are hereby received and adopted."

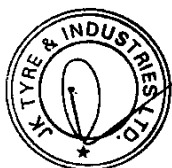
Seconded by Shri S N Kundu

The Chairman invited the members present to ask any questions, arising out of the Directors' Report and Accounts.

S/Shri B.N. Kundu, S.K. Sukhani, Ajit Bachhawat, S.K. Saraf, J.N. Kundu, Goutam Nandi, Arup Das, Amit Kapoor, Manoj Gupta, A.K. Pal and S.K. Banerjee, Members of the Company, made some observations and raised few queries.

The Members expressed their profound grief and sorrow on the sad demise of Shri Hari Shankar Singhania, President, J.K. Organisation.

The Members paid their rich tribute and fondly recalled their memories and shared that they always received affection and warmth from Shri Hari Shankarji whenever there was an opportunity to meet him. The Members also shared that Shri Hari Shankarji was not only a great industrialist but was also an extra-ordinary human being, who took keen interest in the development of JK Group companies as well as in the development of several socially important projects in the fields of health, education, welfare, etc. The Members particularly lauded huge contribution made by Shri Hari Shankarji in the growth of the Company and also in the economic and industrial development of the country and prayed to the God Almighty for resting his noble soul in eternal peace.



The Members also hoped that the Company will continue to tread on the path of growth and carry forward the legacy, ideals, philosophy and values of Shri Hari Shankarji under the leadership of Dr. Raghupati Singhania, who has since been appointed as Chairman & Managing Director of the Company.

The Members appreciated the overall presentation of the Annual Report and the timely receipt of the same as well as the Dividend, year after year. Few suggestions were also made for further improving the presentation of the Annual Report. The Members also raised queries on the rubber price scenario, replacement and OE market scenario, prevailing lower tyre prices vis-à-vis tyre price in other countries, wide fluctuations in the foreign currency rates and its impact on the operations of the Company, issue of bonus shares, factory visit by shareholders, etc.

The Members were very happy with the presence of the Board of Directors at the Annual General Meeting. The Members also congratulated Dr. Raghupati Singhania and team JK Tyre for the excellent performance of the Company in the year gone by, besides the good working of JK Tormel, Mexico.

The Chairman & Managing Director thanked the members for the rich tribute paid by them to Shri Hari Shankarji and also for their keen interest and active participation and answered the points and queries suitably to the full satisfaction of the members. The Chairman then put the motion to vote and the resolution was carried unanimously.

9. Dividend :

Proposed by : Shri B.N. Kundu
Seconded by : Shri Pulak Chatterjee

"RESOLVED that the Dividend @ ₹ 3.50 per Equity Share of ₹ 10 each for the financial year ended 31st March 2013, on 4,10,59,346 Equity Shares of ₹ 10 each (after payment of dividend tax as per provisions of Income-tax Act) as recommended by the Board of Directors be and is hereby declared and the same be paid to those members whose names are borne on the Company's Register of



Members on 14th August 2013 or to their mandatees and in respect of shares held in dematerialised form, the dividend be paid on the basis of details of beneficial ownership received from depositories for this purpose."

Resolution carried unanimously.

10. Re-election of Directors : I Proposed by : Shri T. Basu
Seconded by : Shri Subhodip Mallik

"RESOLVED that Shri Arun K. Bajoria retiring by rotation pursuant to Article 143 of the Company's Articles of Association, be and is hereby reappointed as a Director of the Company liable to retire by rotation."

Resolution carried unanimously.

- II Proposed by : Shri Madhusudan Dey
Seconded by : Shri Amit Kumar Banerjee

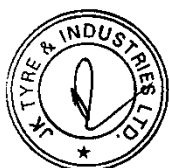
"RESOLVED that Shri O.P. Khaitan retiring by rotation pursuant to Article 143 of the Company's Articles of Association, be and is hereby reappointed as a Director of the Company liable to retire by rotation."

Resolution carried unanimously.

11. Appointment of Auditors : Proposed by : Shri Goutam Nandy
Seconded by : Shri Manoj Kumar Gupta

"RESOLVED that M/s Lodha & Co., Chartered Accountants, (Registration Number – 301051E), the retiring Auditors be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of the 60th Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration of ₹ 18 Lacs (Rupees Eighteen Lacs only) in addition to reimbursement of travelling and other out-of-pocket expenses actually incurred by them in connection with the audit."

Resolution carried with requisite majority.



12. Appointment of
Director :

Proposed by : Shri A.K. Pal
Seconded by : Shri O.P. Kejriwal

"RESOLVED that Dr. Wolfgang Holzbach whose appointment on the Board as Additional Director determines on the date of the present Annual General Meeting, be and is hereby appointed as a Director of the Company liable to retire by rotation."

Resolution carried unanimously.

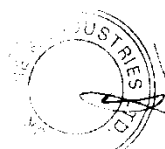
13. Re-appointment
of Whole-time
Director

Proposed as Special Resolution by :
Shri Arup Das
Seconded by: Shri Rajkumar Sen

"RESOLVED that pursuant to the provisions of Sections 269, 309, 198, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof, the reappointment of Shri Arun K. Bajoria as Whole-time Director with the designation "President & Director" of the Company for a period of 3 years w.e.f. 20th January 2013 be and is hereby approved on the terms and remuneration as set out in the explanatory statement annexed hereto which shall be deemed to form part hereof and in the event of inadequacy or absence of profits under Sections 349 and 350 of the said Act in any financial year or years, the remuneration comprising salary, performance linked incentive, perquisites, allowances and benefits, as approved herein be paid as minimum remuneration to the said Whole-time Director for a period not exceeding three years in the aggregate subject to requisite approvals under the said Act.

RESOLVED further that the Chairman & Managing Director/Managing Director of the Company be and are hereby severally authorised to vary and/or revise the remuneration of the said Whole-time Director within the overall limit approved herein and to settle any question or difficulties in connection therewith or incidental thereto."

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



The Board of Directors has re-appointed Shri Arun Kumar Bajoria, as Whole-time Director with the designation "President & Director" for a tenure of three years commencing 20th January 2013 on the terms and remuneration setout hereunder subject to the approval of shareholders and such other necessary approvals, as may be required.

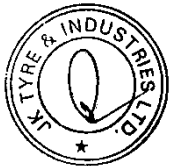
In terms of Schedule XIII to the Companies Act 1956, the relevant details are as under:

I. General Information:

1. Nature of Industry: Automotive Tyres and Tubes.
2. Date or expected date of commencement of commercial production: The first Tyre Plant of the Company commenced commercial production in the month of January 1977.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators :

Particulars for the Financial Year ended 31st March 2013	₹ In Crores
- Sales and Other Income	6,015.21
- Operating Profit (before Interest, Depreciation and Tax)	500.41
- Profit Before Tax	150.31

5. Export performance and net foreign exchange earnings: The earning in foreign exchange by Exports for the year ended 31st March 2013 was ₹ 847 Crores. Extensive market network spread over 90 countries across 6 continents is the strength behind growth of global business.
6. Foreign investments of collaborators, if any: Not Applicable



II. Information about the appointee:

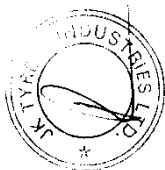
- (1) Background, Recognition or Awards details: Shri Arun Kumar Bajoria, aged 68 years, holds Bachelors' Degree in Engineering (Mechanical) from BITS, Pilani and also holds Post Graduate Diploma in Advance Management from London Business School. He joined the Board of Directors of the Company on 20th January 2010 and was appointed as Whole-time Director with the designation "President & Director". Before that Shri Bajoria was President of the Company. He has been associated with the Company since 1997 when erstwhile Vikrant Tyres Ltd. became a subsidiary and was instrumental in turning it around to a profitable entity. Shri Bajoria brings with him rich experience of managing and running manufacturing enterprises for about 45 years.

His other Directorships are- JK Tornel, S.A. de. C.V.; Hules Y Procesos Tornel, S.A. de. C.V.; Compania Inmobiliaria Norida, S.A. de. C.V.; Compania Hulera Tacuba, S.A. de. C.V.; General De Inmuebles Industriales, S.A. de. C.V., all of which are Mexico based wholly-owned subsidiaries of the Company and are part of leading tyre manufacturing company of Mexico.

He is also a Member of Managing Committee of Hari Shankar Singhania Elastomer and Tyre Research Institute; Technological Institute of Textiles at Bhiwani and Pushpawati Singhania Research Institute for Liver, Renal & Digestive Diseases.

Shri Bajoria is also a member of the Board of Governors of Madhav Institute of Technology and Science (MITS), Gwalior - one of the leading Engineering Colleges of India. He is also associated with several religious, educational and social service organizations and is a Trustee of Birla Institute of Medical Research.

- (2) Past Remuneration: The remuneration of Shri Arun Kumar Bajoria approved by the members of the Company at their Annual



General Meeting held on 14th August 2010 is as under :

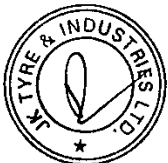
(A) Salary: ₹ 6 Lacs per month with suitable increases as determined by the Chairman/Vice Chairman & Managing Director in the range of ₹ 3 Lacs to ₹ 6 Lacs per month.

(B) Perquisites and other benefits: Perquisites comprising provision of residential accommodation or house rent allowance together with furnishings, gas, electricity and water, reimbursement of medical expenses incurred and Leave travel assistance for self and family, club fees, premium on personal accident insurance, car with driver, telephone at residence etc., and such other perquisites, benefits and allowances as may be approved by the Chairman/Vice Chairman & Managing Director. The perquisites shall be evaluated as per the actual cost or Income-tax Rules, as applicable.

(C) Commission: 1% of the net profits computed under Sections 349 and 350 of the Companies Act 1956, subject to a ceiling of one hundred percent of annual salary.

(D) In the event of inadequacy or absence of profits under Sections 349 and 350 of the Companies Act 1956, in any financial year or years, the said Whole-time Director with the designation "President & Director" shall be entitled to minimum remuneration comprising salary, perquisites and benefits as detailed above for a period not exceeding three years in the aggregate subject to requisite approvals as may be required.

(E) The Whole-time Director with the designation "President & Director" shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling mentioned in para (D) above in terms of the provisions of Schedule XIII of the said Act:



- (i) Contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income-tax Act 1961.
 - (ii) Gratuity at the rate of 15 days salary for each completed year of service.
 - (iii) Encashment of unavailed leave at the end of the tenure.
- (3) Job Profile and his suitability: Shri Arun Kumar Bajoria, Whole-time Director with the designation "President & Director" of the Company is vested with powers of management subject to the control, direction and superintendence of the Board of Directors, the Chairman and the Managing Directors of the Company.

The Company has grown manifold since commencement of automobile tyre/tubes business in 1975. Further, the Company has taken up Research & Development activities and exports in a big way besides expansion/debottlenecking at new greenfield and existing multi location plants. The Company has also acquired a large tyre manufacturing plant in Mexico in the year 2008. Consequently, the responsibilities of the managerial personnel have increased substantially with the growth of the Company.

- (4) Remuneration proposed: The Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 30th October 2012 approved the terms of remuneration for the three years tenure of Shri Arun Kumar Bajoria commencing 20th January 2013 as under:-

A. Salary : ₹ 6 Lacs per month in the salary range of ₹ 6 Lacs to ₹ 10 Lacs per month with such increments as may be decided by the Chairman & Managing Director/Managing Director of the Company from time to time.



B. Perquisites, allowances and benefits: Perquisites comprising provision of residential accommodation or house rent allowance in lieu thereof together with furnishings, reimbursement of medical expenses incurred including hospitalization and surgical charges for self and family and travel relating thereto and leave travel including foreign travel for self and family, club fees, premium on personal accident insurance, car(s) with driver, telephone etc., and such other perquisites, benefits and allowances as may be decided by the Chairman & Managing Director/Managing Director of the Company. The perquisites shall be evaluated as per the actual cost or Income-tax Rules, as applicable.

The above perquisites, allowances and benefits will be as per the schemes, policies and the Rules of the Company as applicable from time to time subject to any change as may be decided by the Chairman & Managing Director/Managing Director of the Company.

C. Performance linked incentive.

D. Commission: 1% of the net profits computed under Sections 349 and 350 of the Companies Act, 1956 or any statutory modification thereto or re-enactment thereof (the Companies Act), subject to a ceiling of 100% of annual salary.

Items C and D above will be as may be determined by the Chairman & Managing Director/Managing Director of the Company from time to time.

E. Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per Rules of the Company.

F. Gratuity at the rate of 15 days Salary for each completed year of Service.

G. Encashment of unavailed leave as per Rules of the Company.



H. The Board or a Committee thereof may, from time to time, increase, or vary the salary range, subject to the overall ceiling prescribed under the Companies Act.

I. In the event of inadequacy or absence of profits under Sections 349 and 350 of the Companies Act in any financial year or years, the Whole-time Director shall be entitled to such remuneration as he may be then drawing, as specified in paras A, B and C above, as minimum remuneration and be also entitled to perquisites mentioned in paras E, F and G above.

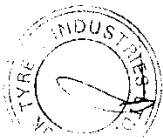
The terms of remuneration set out hereinabove may also be treated as an abstract of memorandum of interest under Section 302 of the Companies Act, 1956

(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: The executive remuneration in the industry is on the rise. The 'Remuneration Committee' constituted by the Board in terms of the said Schedule perused remuneration of managerial persons in the automotive tyre industry and other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Shri Arun Kumar Bajoria, before approving the remuneration as proposed hereinbefore.

(6) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Besides the proposed remuneration, Shri Arun Kumar Bajoria does not have any pecuniary relationship with the Company or with the managerial personnel.

III. Other Information:

(1) Reasons of inadequate profits: At present, Company is having adequate profits. However, the appointment is for a term of



three years commencing 20th January 2013 and the future trend in the profitability will largely depend on business environment in the domestic and global markets, cost of inputs and general state of economy as a whole.

- (2) Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms: In order to revive economy, the government is contemplating several steps – such as, incentives for exports, reduction in Repo Rate, investment in infrastructural projects, etc. All these steps are expected to boost the economy which in turn will buoy the automobile sector. The Company has also taken several steps to further improve overall efficiencies and profitability. The Company is also continuously expanding its manufacturing base and is presently having nine manufacturing plants – six in India and three in Mexico, including a greensite plant near Chennai which recently commenced operations. The Company has also recently undertaken an expansion to enhance farm tyres capacity at its various plants. Capacity for small vehicle tyres is also being added to further enhance presence in this growing segment. The Company has also taken several other measures to conserve cost – namely, product rationalization, optimum utilization of working capital and conservation of energy, etc. All these measures will put the Company on the course of sustainable profitability and growth trajectory.

All these steps will contribute considerably to the growth of the Company and will help in meeting the growing demand of tyres.

None of the Directors of the Company other than Shri Arun Kumar Bajoria is in any way concerned or interested in the aforesaid Resolutions.

Resolution carried unanimously.



14. Alteration of
Articles of
Association :

Proposed as Special Resolution by :
Shri Manoj Kumar Gupta
Seconded by : Shri Ajit Bachawat

"RESOLVED that pursuant to the provisions of Section 31 and other applicable provisions of the Companies Act, 1956, if any, the Articles of Association of the Company be and is hereby altered by insertion of a new Article 170A after Article 170 in the Articles of Association of the Company as under:-

Chairman and Managing Director/Whole-time
Director/Chief Executive Officer

Article 170A: An individual may be appointed or reappointed as the Chairman of the Company as well as the Managing Director or Whole-time Director or Chief Executive Officer of the Company at the same time."

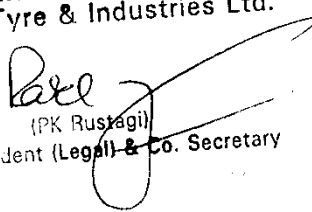
Resolution carried unanimously.

15. Vote of thanks

On behalf of the Members, Shri J.N. Kundu proposed a hearty vote of thanks to the Chair.

CHAIRMAN
JK Tyre & Industries Ltd.

Certified to be true
For JK Tyre & Industries Ltd.


(PK Rustagi)
Vice President (Legal) & Co. Secretary