

# **JKTYRE** & INDUSTRIES LTD.

JKTIL:SECTL:SE:2024

Date: 16<sup>th</sup> September, 2024

To, <b>BSE Limited</b> Sir Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 <b>Scrip Code: 530007</b>	To, <b>National Stock Exchange of India Limited</b> Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C-1, Block G, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 <b>Symbol: JKTYRE</b>
---	---

Dear Sir/ Madam,

**Sub: Intimation of the outcome of the meeting of the Board of Directors of JK Tyre & Industries Limited (“Company” or “Transferee Company”) held on September 16, 2024 and disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (“Listing Regulations”)**

**Ref: Scheme of Amalgamation of Cavendish Industries Limited with JK Tyre & Industries Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Scheme”)**

In compliance with Regulation 30 read with Schedule III of the Listing Regulations, we wish to inform that the Board of Directors of the Company (“**the Board**”) at its meeting today, i.e. September 16, 2024, has considered and approved the draft Scheme of Amalgamation of Cavendish Industries Limited (“**Transferor Company**”) with the Company and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Act**”) (“**Scheme**”).

The Scheme is, *inter alia*, subject to receipt of approval from the statutory, regulatory and customary approvals, including approvals from the BSE Limited, the National Stock Exchange of India Limited (collectively referred to as “**Stock Exchanges**”), jurisdictional National Company Law Tribunal and the shareholders and creditors (as applicable) of the companies involved in the Scheme.--

The Scheme as approved by the Board would be available on the website of the Company at [www.jktyre.com](http://www.jktyre.com) after submission of the same with the Stock Exchanges.

In terms of the Listing Regulations read with SEBI Circular No SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, we are furnishing herewith the details of the Scheme in **Annexure I**.

The Board Meeting commenced at 11.30 a.m. and concluded at .....This is for your information and record.

Thanking you,

Yours faithfully,  
For JK Tyre & Industries Limited

**Pawan Kumar Rustagi**  
**Vice President (Legal) & Company Sec retary**  
**Membership No. FCS 3815**



5.0 PM

*me*



Admin. Off.: 3, Bahadur Shah Zafar Marg, New Delhi-110 002, Fax: 91-11-23322059, Phone: 91-11-66001112, 66001122

Regd. Off.: Jaykaygram, PO - Tyre Factory, Kankroli - 313 342 (Rajasthan), Fax : 02952-232018, Ph. : 02952-233400 / 233000

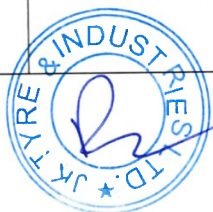
Website : [www.jktyre.com](http://www.jktyre.com) CIN : L67120RJ1951PLC045966



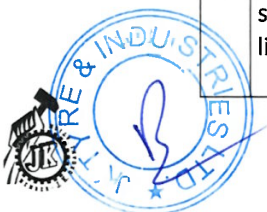
**VIKRANT**

**Annexure I – Brief details of Amalgamation / Merger**

a)	Name of the entity(ies) forming part of the amalgamation/ merger, details in brief such as size, turnover etc.	<p>1. <u>JK Tyre &amp; Industries Ltd. (Transferee Company/ Company) - Standalone</u> Total assets – INR 9642.01 Crore Net worth – INR 3811.96 Crore Turnover – INR 2506.77 Crore</p> <p>as on June 30, 2024 except Turnover which is for the quarter ended June 30, 2024</p> <p>2. <u>Cavendish Industries Limited (Transferor Company) - Standalone</u> Total assets – INR 4003.67 Crore Net worth – INR 1009.71Crore Turnover – INR 974.57 Crore</p> <p>as on June 30, 2024 except Turnover which is for the quarter ended June 30, 2024</p>
b)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms’ length”	<p>Yes, the Company and the Transferor Company are related parties to each other.</p> <p>However, in terms of General Circular No. 30/2014 dated July 17, 2014, issued by Ministry of Corporate Affairs (“MCA Circular”), the transactions arising out of compromises, arrangements and amalgamations under the Companies Act, 2013 (“Act”), will not attract the requirements of Section 188 of the Act.</p> <p>The consideration for the amalgamation will be discharged on an "arm's length" basis.</p>
c)	Area of business of the entity(ies)	<p>1. The Company is <i>inter alia</i> engaged in developing, manufacturing, marketing and distributing automotive tyres, tubes, flaps and retreads.</p> <p>2. The Transferor Company is <i>inter alia</i> engaged in developing, manufacturing, marketing and distributing automotive tyres, tubes and flaps.</p>
d)	Rationale for amalgamation/ merger	<p>1. The Transferor Company and the Transferee Company, both, are engaged in the similar line of business. Taking into consideration the similar line of business and growth prospects available, it is proposed to undertake the amalgamation. This amalgamation will inter alia result in all the businesses being housed in one listed company with the following benefits:</p>



		<p>(a) economies of scale, operational synergies &amp; efficiencies at multiple levels of business operations;</p> <p>(b) optimisation in administrative, managerial and other overheads;</p> <p>(c) reduction in interest cost;</p> <p>(d) pooling of resources for faster growth;</p> <p>(e) ease of doing business;</p> <p>(f) comprehensive products offering, availability of combined sales and distribution network;</p> <p>(g) improved customer satisfaction;</p> <p>(h) significant reduction in multiplicity of legal and regulatory compliances; and</p> <p>(i) improved investor perception and enhanced shareholders' value.</p> <p>2. The Scheme is in the interest of the Transferor Company and the Transferee Company and their respective stakeholders.</p>
e)	<p>In case of cash consideration – amount or otherwise share exchange ratio</p>	<p>In consideration of the amalgamation of the Transferor Company with the Company, the Company shall, issue and allot, on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members as member of the Transferor Company as on the Record Date (<i>as defined in the Scheme</i>) as under:</p> <p>92 (Ninety Two) fully paid up equity shares of INR 2 (Indian Rupees Two) each of the Transferee Company, credited as fully paid up, for every 100 (One Hundred) equity shares of INR 10 (Indian Rupees Ten) each of the Transferor Company.</p> <p>The abovementioned share entitlement ratio has been arrived based on share entitlement ratio report of PwC Business Consulting Services LLP, Registered Valuer. Further, a fairness opinion on the share entitlement ratio is provided by ICICI Securities Limited, Independent SEBI Registered Merchant Banker.</p>
f)	<p>Brief details of change in shareholding pattern (if any) of listed entity</p>	<p>Pursuant to the Scheme, shareholding pattern of the Company pre and post the Scheme will be as follows:</p>



Particulars	Pre-Scheme		Post - Scheme	
	No of equity shares	%	No of equity shares	%
Promoters	13 85 25 055	50.55	13 8 5,34340	49.31
Public	13 5 494 972	49.45	14 2 39 5171	50.69
<b>TOTAL</b>	<b>27 40 20 027</b>	<b>100.00</b>	<b>28 ,09,29511</b>	<b>100.00</b>



1 3 1

