

TRANSFORMING



2-minute Annual Report

This story begins with our outperformance in a challenging FY 2020-21

-7.3

Degrowth of the Indian
economy, 2020-21

5

% growth in JK Tyre
revenues, 2020-21

210.95

149.16

23.26

1.41%

18.92

We reported profitable growth during FY 2020-21 (which had effectively 10 months of operations)

5

% growth in revenues, 2020-21

11.6

% JK Tyre's EBIDTA margin, 2019-20

14.8

% JK Tyre's EBITDA margin, 2020-21

929

Rs. Cr. consolidated debt reduction

9145

Rs. Cr. consolidated turnover

We encountered our most
challenging business
environment in decades in
FY 2020-21

We didn't just make incremental
changes in pockets; we
reinvented the organisation

Our transformation story begins with the word 'Smart'.

'Smart' tyres. 'Smart' technologies. 'Smart' approaches.

Results: Agile, leaner, smarter and more responsive JK Tyre.



JK Tyre is one of the most trusted tyre brands in India and among the 25 largest in the world

Offers entire range of 2/3 wheeler, Passenger Commercial off the Highway and speciality tyres.

Preferred Truck Bus Radial (TBR) brand.

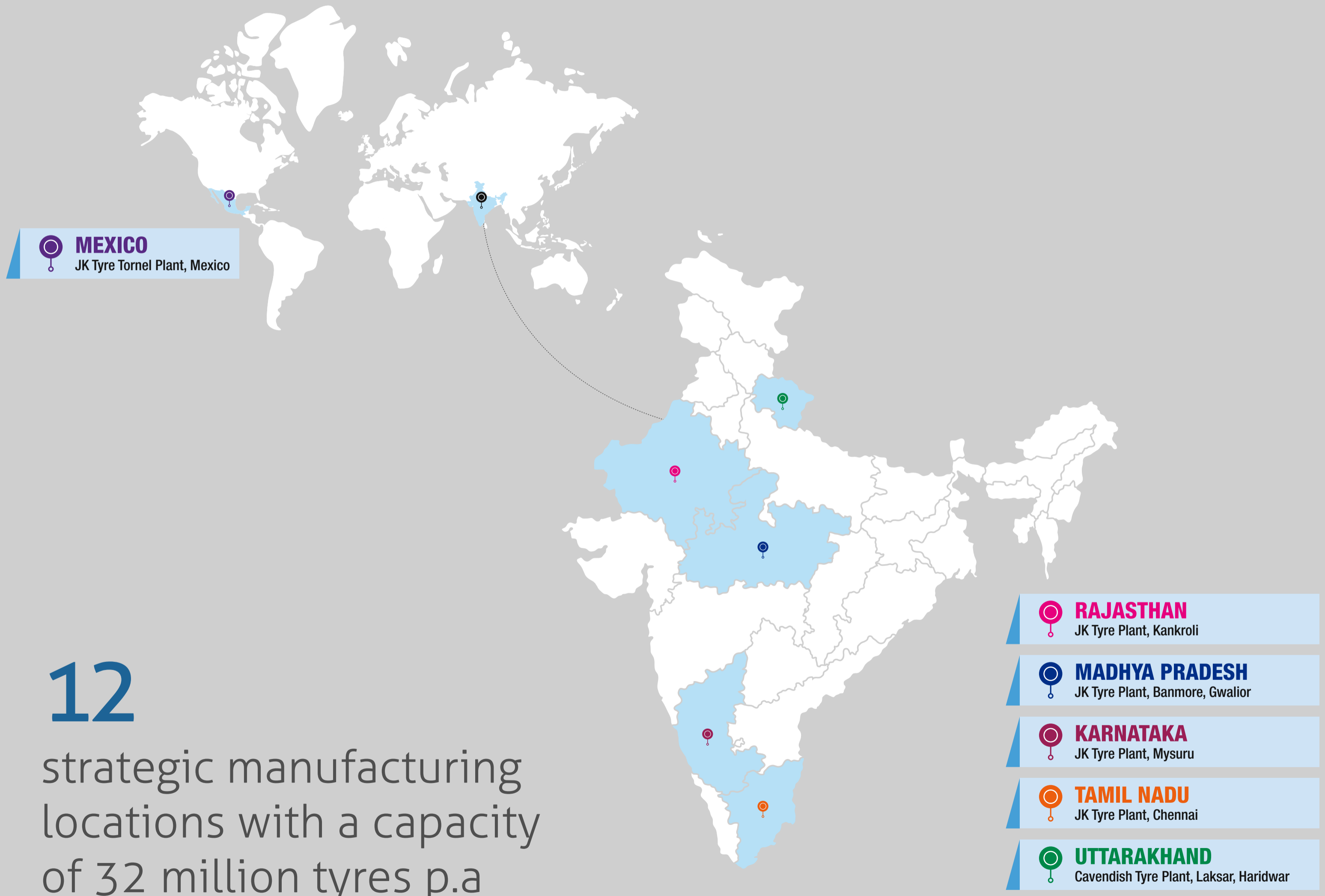
First in India to market more than 20 million TBR tyres.

State-of-the-art centralized Global R&D and Technology Centre at Mysuru - Raghupati Singhanian Centre of Excellence.

First in India to launch Smart Tyres.

Recognized as a Superbrand in 2021 - eighth consecutive time.

Manufacturing locations



12

strategic manufacturing locations with a capacity of 32 million tyres p.a

This is how we transformed in 2020-21

Deeply.

Extensively.

Conclusively.

Emerged 'greener'

Repaid the most debt EVER in a single year

Broadened our 'smart tyre' range

Widened our distribution footprint

Digitalised our warranty claims process

Reported our highest people retention in years

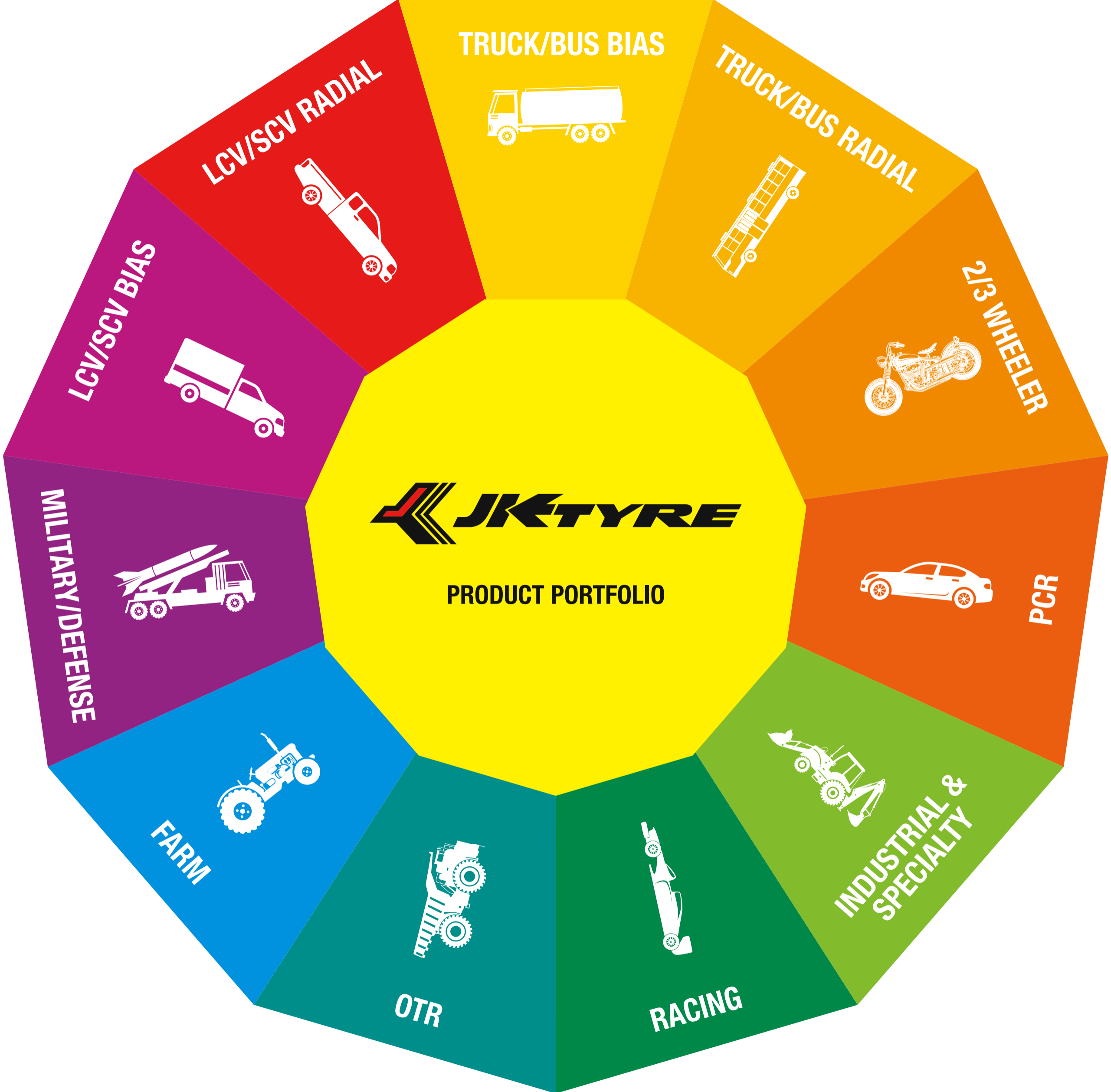
Continued to be recognised as a Great Place to Work

Widened our global foot print

Emerged as the largest Indian commercial tyre exporter to the US

Enhanced our OEM partner portfolio

Increased market share



The outcomes of the transformation

Improved
profitability
and cash flows

Increased
share of
revenue from
value-added
tyres

Quicker
inventory turns

Wider network
covering 90 %
of the country
by geography

Enhanced ease
of dealing
for channel
partners

Quicker
digital claims
settlement
(30 minutes)
for non-truck
categories

Low energy
consumption

Improved
working capital
cycle

Summarised Financial Performance - FY21

(Rs. Crore)

| | Standalone | | | Consolidated | | |
|--------------------|------------|--------|------------------|--------------|--------|------------------|
| | FY2021 | FY2020 | Y-o-Y Growth (%) | FY2021 | FY2020 | Y-o-Y Growth (%) |
| Turnover | 6,170 | 6,120 | 1% | 9,145 | 8,753 | 4% |
| EBITDA | 887 | 678 | 31% | 1,349 | 1016 | 33% |
| Margin | 14.40% | 11.10% | 330 bps | 14.80% | 11.60% | 310 bps |
| PBDT (Cash Profit) | 620 | 335 | 85% | 884 | 467 | 89% |
| PBT | 396 | 85 | 364% | 534 | -17 | |
| PAT | 256 | 229 | 12% | 331 | 141 | 134% |
| EPS (Rs) | 10.42 | 9.29 | 12% | 12.97 | 6.12 | 112% |

Summarised Balance Sheet - FY21

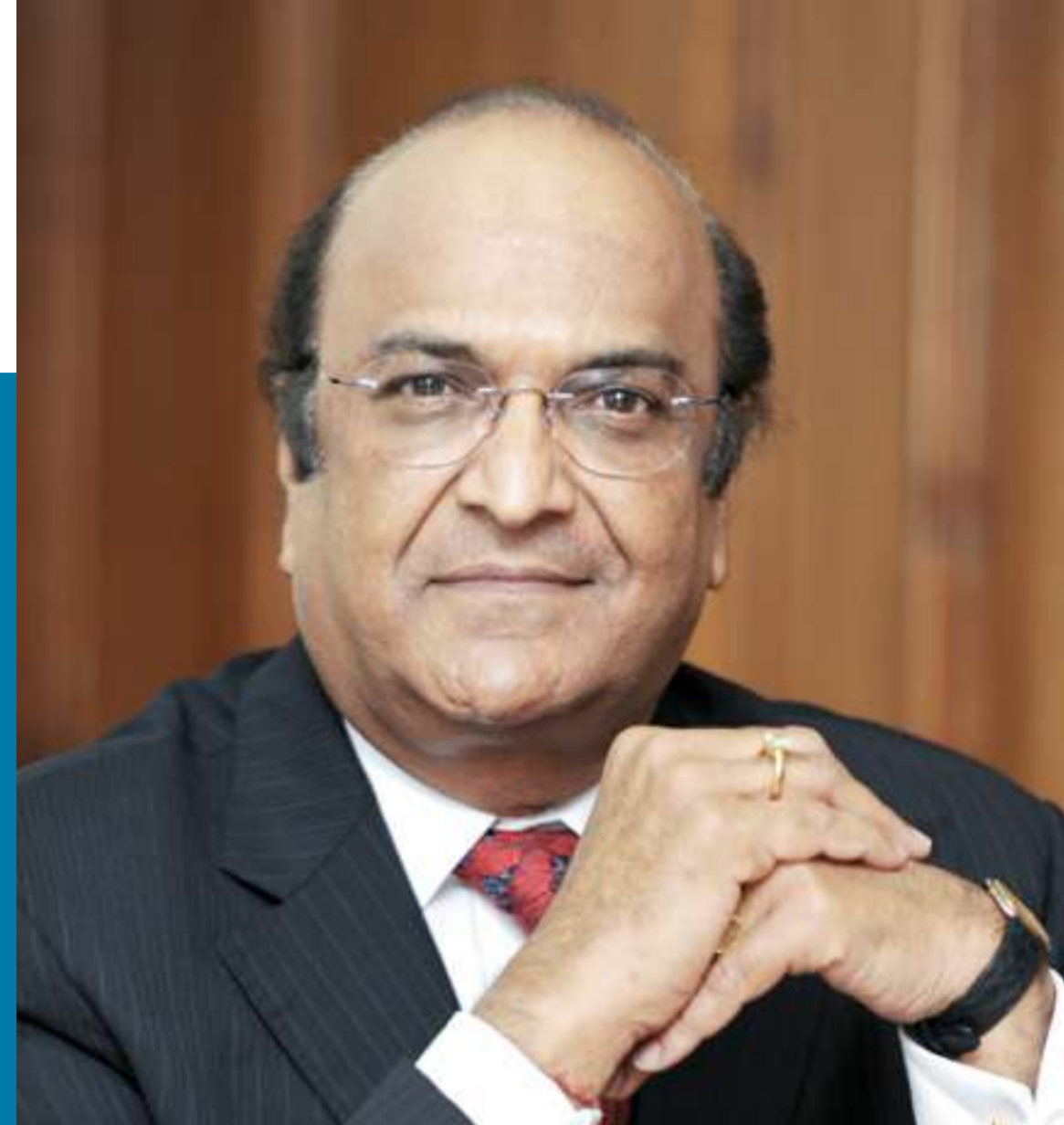
(Rs. Crore)

| | Standalone | | Consolidated | |
|--------------------------|---------------------|---------------------|---------------------|---------------------|
| | As at 31.03.2021 | As at 31.03.2020 | As at 31.03.2021 | As at 31.03.2020 |
| Share Capital | 49 | 49 | 49 | 49 |
| Reserves | 2349 | 2113 | 2729 | 2377 |
| Net Worth | 2398 | 2163 | 2779 | 2426 |
| Net Debt | 2271 | 3163 | 4483 | 5412 |
| Deferred Tax Liability | 311 | 244 | 322 | 204 |
| TOTAL LIABILITIES | 4981 | 5569 | 7583 | 8042 |
| Net Fixed Assets | 3409 | 3573 | 6542 | 6679 |
| Investments | 733 | 724 | 147 | 140 |
| Net Current Assets | 839 | 1272 | 895 | 1223 |
| TOTAL ASSETS | 4981 | 5569 | 7583 | 8042 |

From the desk of the
Chairman & Managing Director

We transformed with resilience

Dr Raghupati Singhania



Perhaps it was the first time in the history of JK Tyre that all operations had to be completely suspended.

Every facet of our operations was completely transformed and the result on record as among the best in the company's history in a year, which had effectively just 10 working months.

Higher efficiencies in production, cost control, superior working capital management, a lighter Balance Sheet, innovative marketing and emphasis on value added products and services resulted in a quantum jump in profitability.

The Company's export performance continued on its growth trajectory. Technologically advanced products suited for the targeted markets, enabled profitable growth.

We proactively supported the nation, and all our stakeholders in the fight against COVID-19.

We have deepened our ESG culture and JK Tyre is considerably 'greener and cleaner' today than ever.

We will not rest on our laurels but endeavor to deliver greater value to our stakeholders in the years ahead.

From the Managing Director's desk

@ Transformation

Anshuman Singhanian



We fused IoT, Artificial Intelligence, Machine Learning and Data Science to enhance organizational agility.

JK Tyre brand was highly visible, digital and connected.

In partnership with our stakeholders, we have collectively emerged stronger over the past year and have embarked on the

journey of transformation and closed the year with a strong performance in FY 2020-21, leading us to a sense of optimism and confidence that we will attain greater heights in the year ahead.

The outcomes of our transformation initiatives

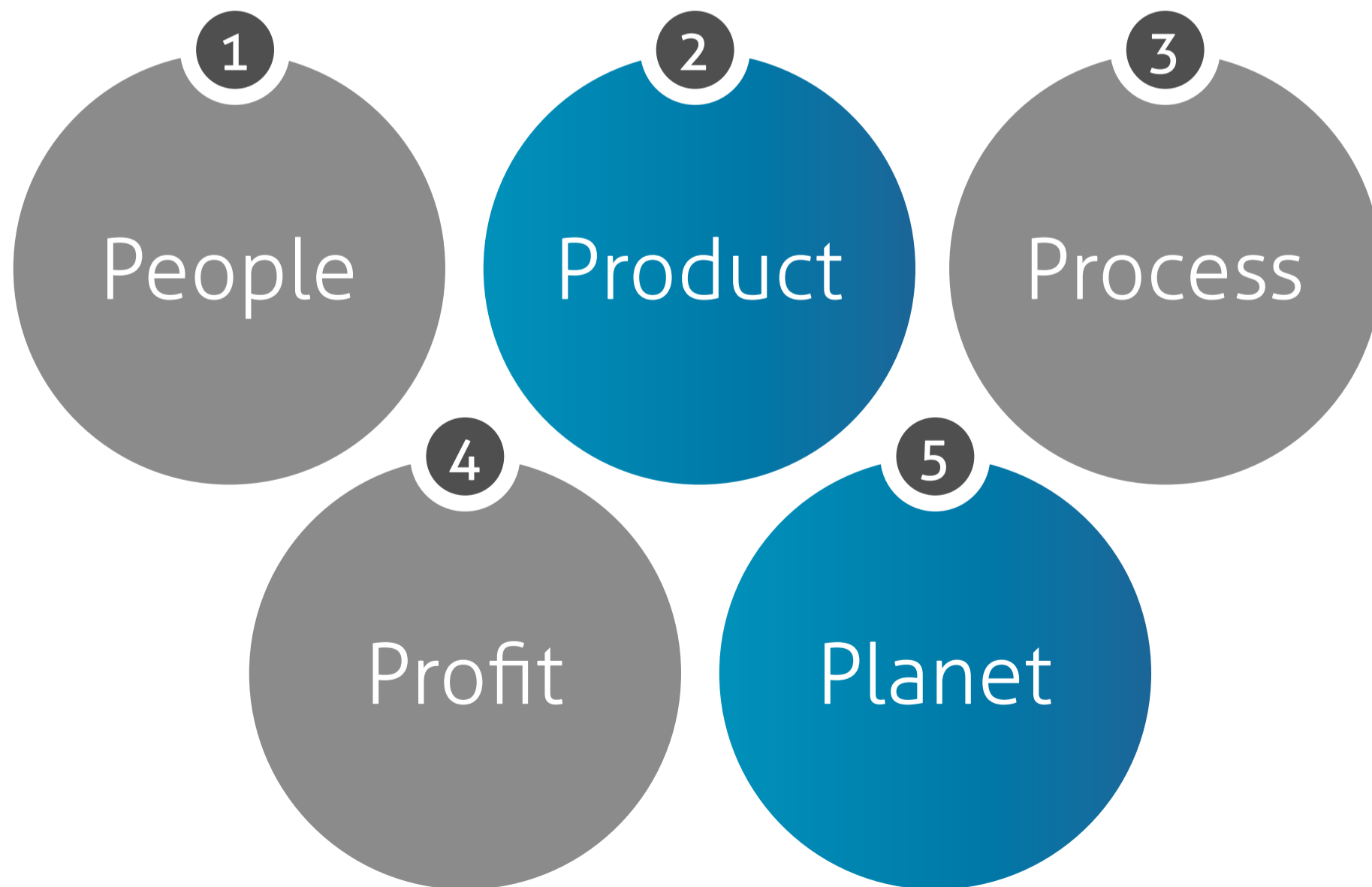
- Enhanced capital efficiency
- Repositioned the JK Tyre brand
- Increased dealers pan-India
- Enhanced trade partner delight
- Premiumised our portfolio
- Sweated our facilities better
- Created a digitalised company
- Invested in 'green' technologies
- Moderated costs (fuel, resources, people, water, renewable energy and power)
- Moderated carbon footprint (product and process)



Outcome: We enhanced competitiveness and peer respect and enhanced market share

We transformed to deepen our ESG commitment

We strengthened our Environment, Social and Governance initiatives around a 5P's sustainability platform



The result: we are treading softer on this earth

Energy consumption: Lowest energy consumption levels per tonne of tyre

Water: Global benchmark for the lowest water use per kg of tyre manufactured (Kankroli plant). Increased the share of harvested rainwater in the overall annual use of water

Productivity: One of the highest per person productivity in India's tyre industry

Standards: First tyre Company in Asia to receive ISO 50001 certification for Energy Management

Cleaner: Zero waste to landfill; Single Use Plastic Free.

Pioneering: Launched 'green' tyres in India; first Indian tyre company with a verified carbon footprint (IS-14064)

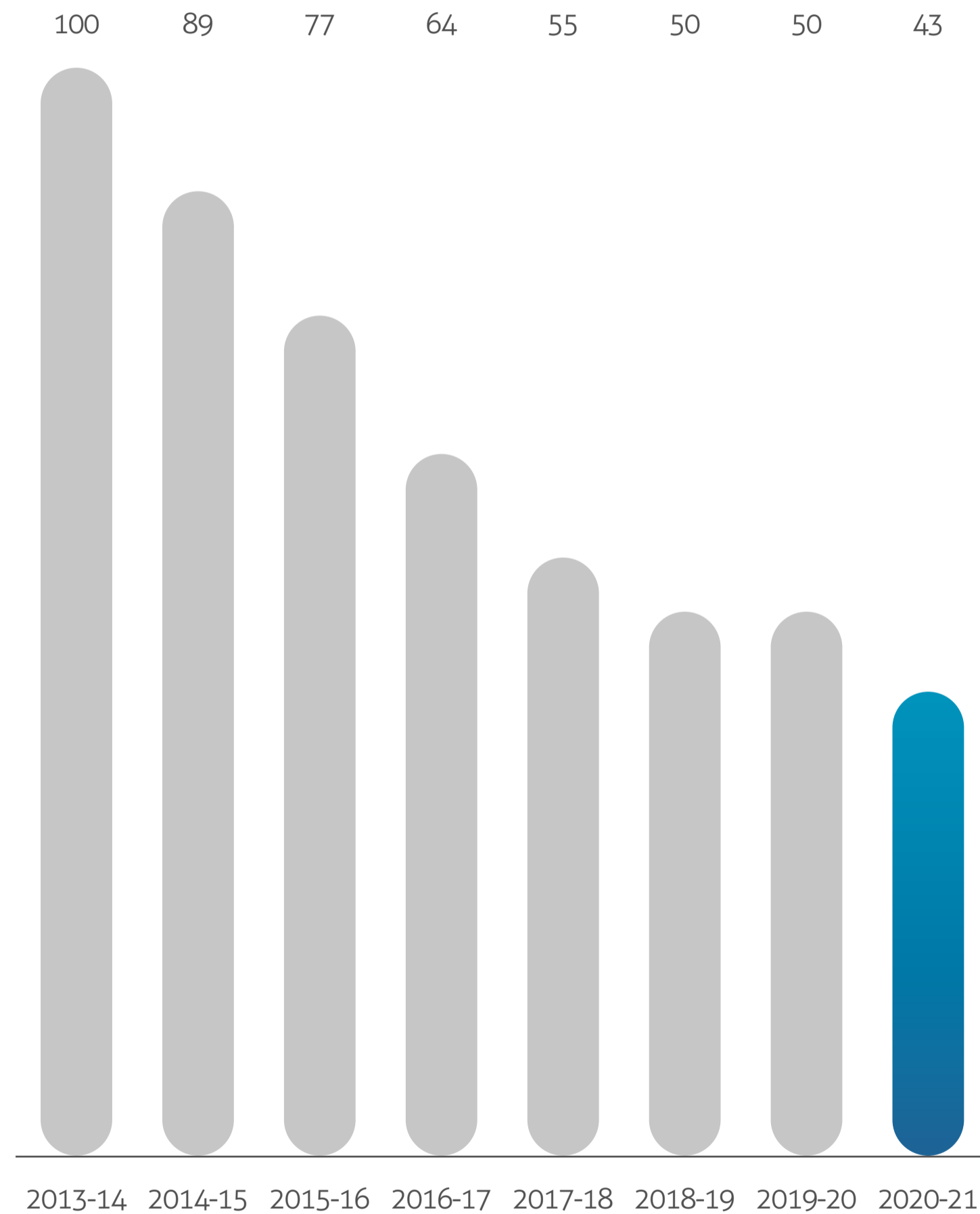
Renewable: Renewables in our power mix increased to 55% during 2020-21.

Our HSE achievements in 2020-21

- Achieved Sword Of Honour, British Safety Council, a rare honour
- Moderated reportable accidents by 33%
- Compliant with ISO 45001 for Occupational Health and Safety Management
- Compliant with EMS 14001 for Environmental Management System
- Compliant with SA 8000 for Social Accountability

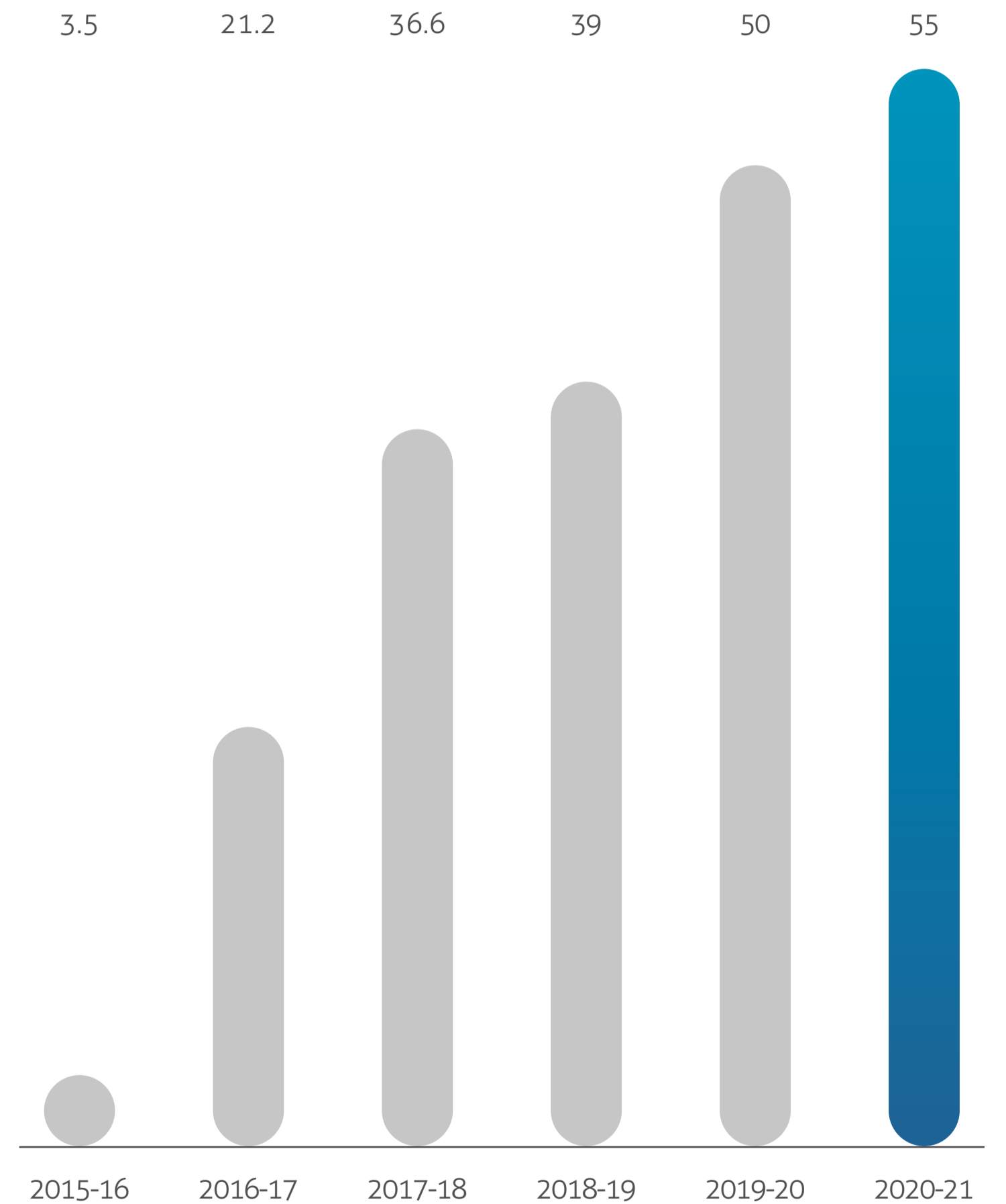
Raw water consumption trend (KL per tonne)

Raw Water Consumption - Index (KL/Ton)



Declining emissions intensity (CO2 per tonne)

% of renewable power in total power consumption



All figures are on a standalone basis

JK Tyre's transformation is being driven by cutting-edge research

RPSCOE GLOBAL R&D & TECH CENTRE, MYSURU...

Deepened our investments in technology and R&D.

Generated a critical mass of new product development.

Leveraged proprietary competencies in developing tyre technologies.

Invested in simulation, modelling and computational research.

Shrunk tyre development time by 50%.

4R's strategy (reduce, reuse, recycle and renew) as per the needs of a circular economy.

Increased dedicated R&D professionals and R&D spending as a percentage of revenues.

awards and accolades



JK TYRE. Driven by its core value *'Caring for People'*

We continued to touch the lives of the marginalised and align with United Nations' Sustainable Development Goals

Areas of CSR engagement

Education

Community
Health

Sustainable
Livelihoods
Development

Environment



To read the full annual JK Tyre Limited Annual Report 2020-21,
click here: <https://www.jktyre.com/annualreports.aspx>

This is an initiative for our stakeholders, is an abridged version
of JK Tyre Limited Annual Report 2020-21.



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