



**NOVEMBER 2016**

# Safe Harbour

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# OUR BOARD



**Dr. Raghupati Singhania**  
**Chairman & Managing Director**

- **Dr. Raghupati Singhania**
- **Arvind Singh Mewar**
- **Bakul Jain**
- **Sunanda Singhania**
- **Kalpataru Tripathy**
- **Shreekant Somany**
- **Vimal Bhandari**
- **Dr. Wolfgang Holzbach**
- **Bharat Hari Singhania**  
**(Managing Director)**
- **Anshuman Singhania**  
**(Whole-time Director)**
- **Arun K. Bajoria**  
**(Director & President – International Operations)**

# MANAGEMENT TEAM



**Arun K. Bajoria**  
Director & President –  
International Operations



**Vivek Kamra**  
President – India  
Operations



**V.K. Misra**  
Technical Director



**A.K. Kinra**  
Finance Director



**Vikram Malhotra**  
Marketing Director



**Dr. R. Mukhopadhyay**  
Director (R&D)



**A.K. Makkar**  
Manufacturing  
Director



**Kumar Joshi**  
Executive Director – JK TORNEL



**Anshuman Singhania**  
Whole-time Director



**Sanjiv Saxena**  
VP- Corporate Accounts

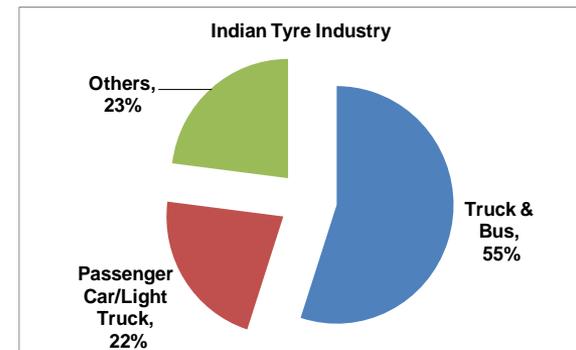
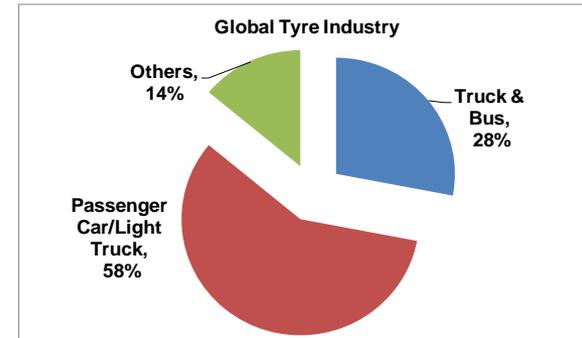


**Ashish Pandey**  
VP- Materials

# Indian Tyre Industry - Overview

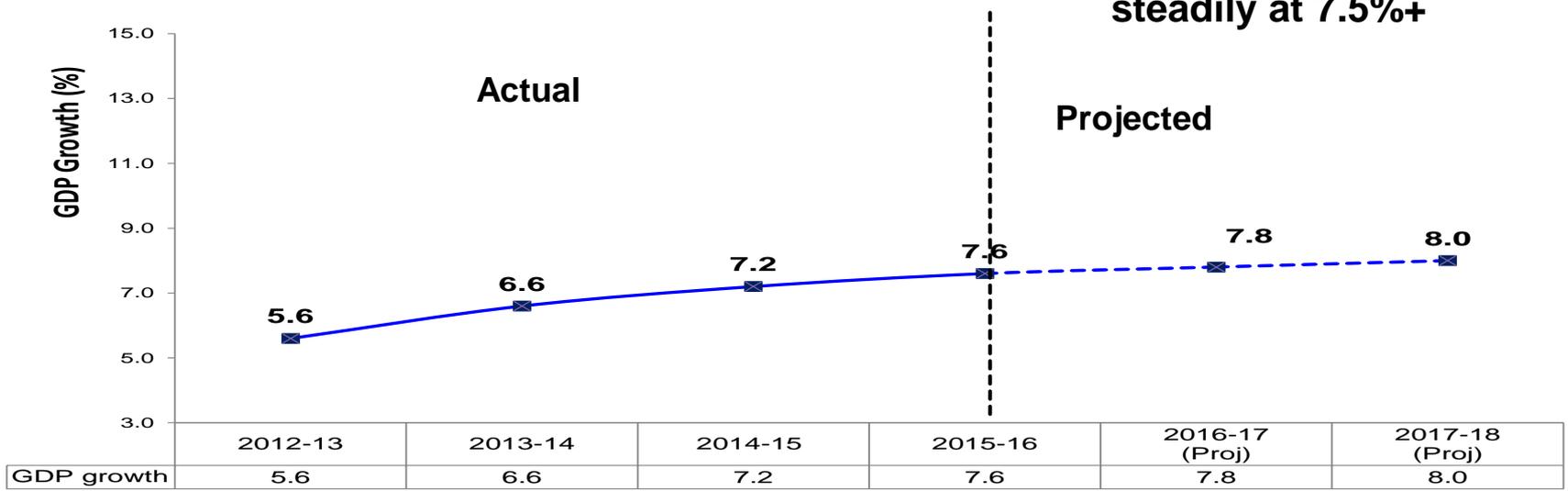
- ❖ Indian Tyre Industry – over ₹ 50000 Crs. (US \$ 8 Bn) (2015-16)
- ❖ Commercial Tyre segment (Truck/Bus & LCVs)
  - *About 75% (by value) of total tyre market*
- ❖ Exports to over 100 countries
- ❖ Radialisation
  - **Car tyres – over 98%**
  - **Truck tyres – about 44% (OEM -72%)**
- ❖ Top 5 global tyre players - present in Indian Market
- ❖ 3 / 4 top Indian players dominate the markets

Revenue Segmentation

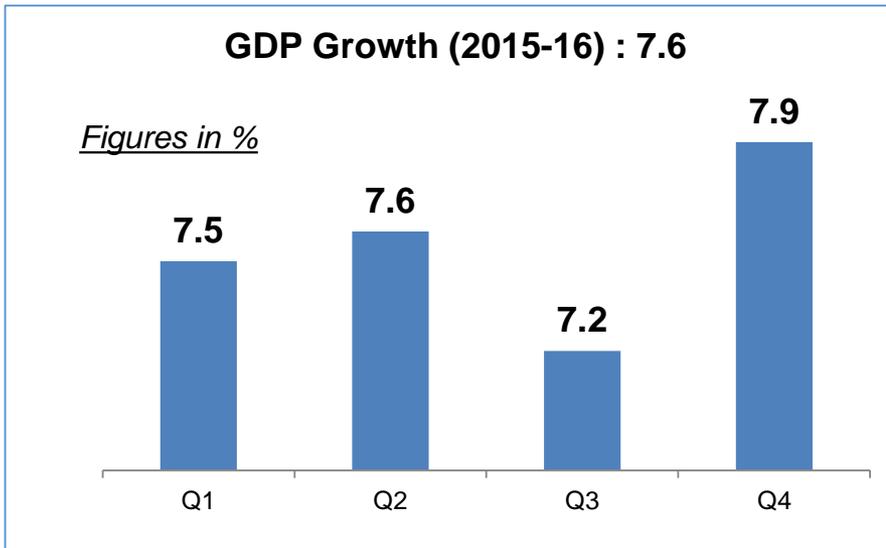


# India -GDP Growth

GDP is expected to grow steadily at 7.5%+



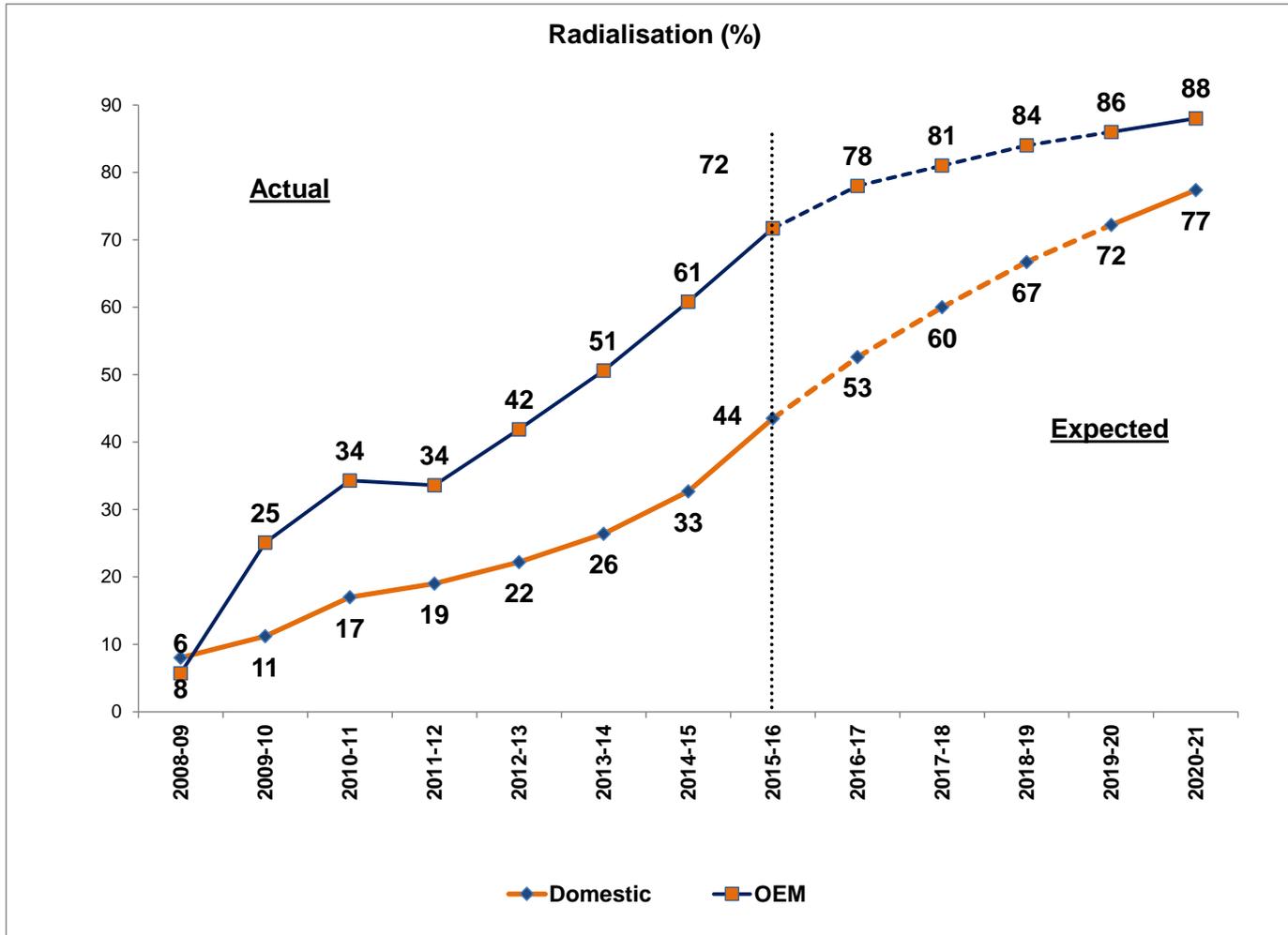
(At 2011-12 prices)



Recovery driven by:

- Improvement in manufacturing ,farm & mining sector
- Better monsoons

# Truck & Bus Radialisation In India



**Radialisation will be driven by :**

- Cost - Benefit Ratio
- Road Development
- Overload Control
- User Education
- Retreading Infrastructure

**...Radialisation Will Drive Indian Tyre Industry Growth...**

# JK Tyre - Overview

- ❖ Pioneer of Radial Technology in India
- ❖ **India's No. 1 Truck/Bus Radial (TBR)** manufacturer, Market Share -30% approx.

❖ Global Brands



- ❖ Ranked 24<sup>th</sup> largest tyre manufacturing company
- ❖ **12 Manufacturing Plants**
- ❖ **Total Capacity – 35 Mn. Tyres p.a.**
- ❖ Large Talent pool of about **15000 employees**
- ❖ **Manufacturing excellence** with world class consistent quality

- ❖ **Consolidated Growth**  
(Five –year CAGR)

Revenues <b>4%</b>	EBITDA <b>28%</b>
Profit After Tax <b>48%</b>	Gross Block <b>12%</b>

- ❖ **Strong Balance Sheet**

- ❖ **Research & Development**

- Technological excellence  
.....Innovation & Creativity
- Green Technology
- **Future ready for mobility sector**

# JK Tyre – The Growth Journey

1<sup>st</sup>

To launch in India Radial Technology for entire range (Passenger Car, LCV, Bus, Truck and Tractors)

To launch in India V-Rated tires, Eco-friendly tires and high performance & Asymmetric tires



**1975:**  
First Tyre Plant  
In Kankroli,  
Rajasthan

**1951:** Incorporated as a  
Private Limited company



**1991:**  
Set up second  
tyre plant at  
Banmore, MP



**1997:**  
Acquired  
Vikrant Tyres  
Ltd., Mysore



**1999:**  
Started All Steel  
Truck radial  
Mysore



**2008:**  
Acquired  
Tornel plant  
in Mexico



**2010:**  
New OTR  
Plant in  
Mysore



**2012:**  
New plant  
in Chennai



**2013& 2014:**  
Major brownfield  
expansion  
undertaken in  
Chennai & completed  
in 2015-16



**2016:**  
Acquired  
Cavendish  
Industries Ltd.  
(CIL)

**ISO 50001**  
Energy Management System



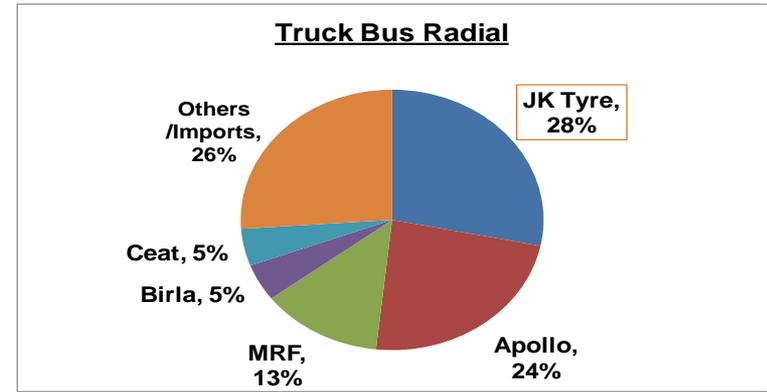
First tyre company in Asia to receive certification and 2<sup>nd</sup> in the world

**Technology Edge - HASETRI - Asia's first and India's biggest & foremost research centre**



# JK TYRE – Radial Leaders of India

❖ Leadership - No.1 position in Truck/Bus Radials



(%)

❖ About 11.4 million JK Tyre TBRs on the roads

❖ Truck Radialisation catching up Fast  
Current radialisation (Jul'16- Sep'16)- 46%

Particulars	13-14	14-15	15-16
Total (Domestic)	26	33	44
OEM	51	61	72

(%)

❖ JK Tyre's Major Shift in Sales from Bias to Radial

*(On Basis of Total sales Value)*

Particulars	13-14	14-15	15-16
Bias	54	48	42
Radial	46	52	58

(%)

❖ JK Tyre -Major shift in Truck Tyre mix

*(On Basis of Domestic Sales Value)*

Particulars	13-14	14-15	15-16
Bias	56	51	42
Radial	44	49	58

# Key Competitive Strengths

Highest TBR Market Share

Extensive Distribution Network

Strong OEM Presence

Strong presence across globe



Manufacturing Excellence

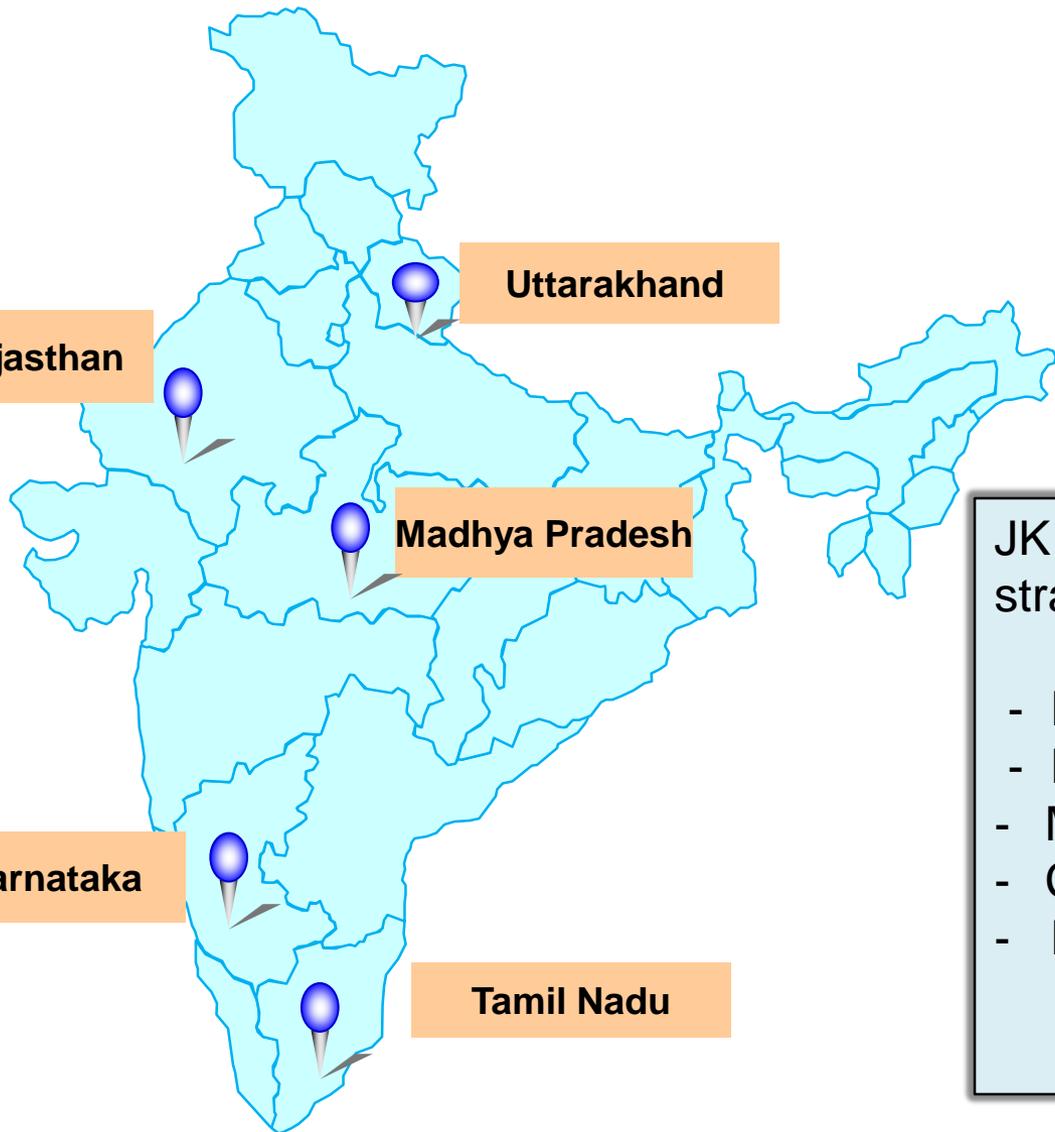
Continuous Innovation

R& D Focus

Cost Competitive



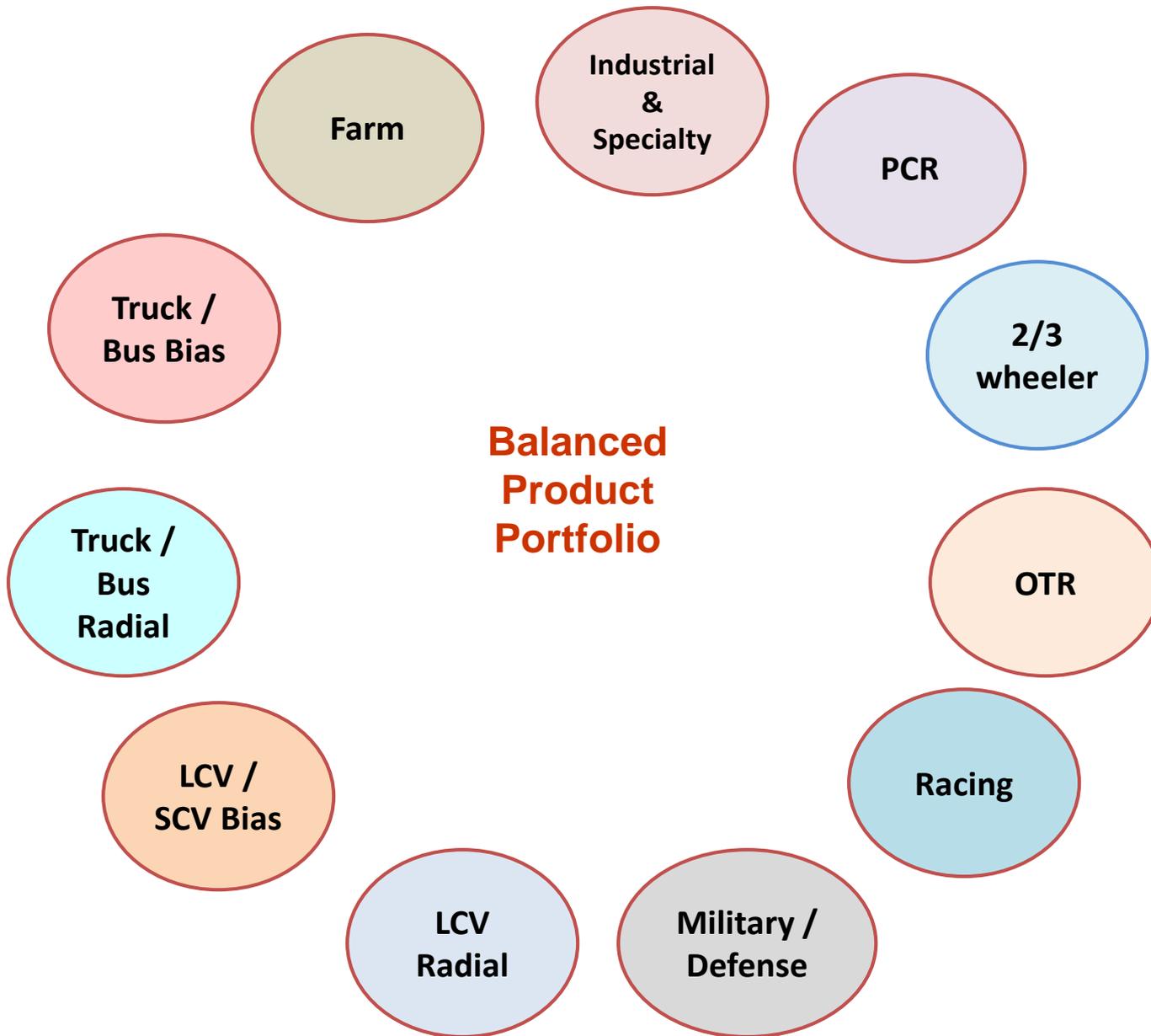
# Strategic Manufacturing Location



JK Tyre has 9 modern plants in India - strategically located at:

- Kankroli, Rajasthan -1
- Banmore, Madhya Pradesh -1
- Mysore, Karnataka -3
- Chennai, Tamil Nadu -1
- Laksar (Haridwar), Uttarakhand. - 3

# JK Tyre – Wide Product Range



# JK Tyre produces India's Largest OTR Tyre



Size : 40.00-57 VEM 045

Weight : 3700 Kg

Height : 12 feet

# JK Tyre : Technology Edge

## State of the Art R&D

- ❖ All facilities under one roof
- ❖ HASETRI : Elastomer & Tyre Research & Development
- ❖ Tech Center : Product Design, Project Management, Benchmarking and Key Account Management
- ❖ Central Test Centre – Enhanced with new high end test capabilities



‘Raghupati Singhanian Center of Excellence’



## Raghupati Singhanian Centre of Excellence for Tyre and Vehicle Mechanics

“A Joint Venture R&D Center” at IIT Madras, Chennai  
One of the India’s biggest Academia – Industry partnership for Advanced Research

# JK Tyre – Distribution and Service Network

**141 JK Tyre Selling Points**

**4000 Dealers across India  
– 1000 exclusive**



*Planned in 2016-17*

- 100 New Steel wheels targeting top cities
- 100 New Xpress wheels targeting small towns
- 100 New multibrand outlets

## **26 JK Tyre Truck Wheels**

Fully equipped Tyre service centre  
For enhancing customer experience by offering Total Tyre Solution



## **Over 200 JK Tyre Steel Wheels**

Exclusive Passenger Car Tyre Retailing



## **Over 1100**

**Fleet Management**  
Direct Partnership with Fleet Owners



# JK Tyre - Key Partners to Leading OEMs...

## Car



India/Mexico



JK Tornel, Mexico



## Truck



JK Tornel, Mexico - LTR



## Tractor



India/Mexico



## OTR



## Partnerships in Offing



# Accolades



**Dr. Raghupati Singhania**  
**Industry Leadership Award at IACC**



**Dr. Raghupati Singhania**  
**inducted into "TIA Hall of Fame 2015"**

Honoured for his distinguished & exemplary service towards growth & development of Tyre industry

3<sup>rd</sup> Asian to receive this coveted award in last 30 yrs

Awarded At Global Tire Expo - Powered by TIA at SEMA in Las Vegas



**Performance Excellence Award** to Dr. R P Singhania for **"Outstanding contribution to the growth of Industry and remarkable commitment to society"** by India Institution of Industrial Engineering

TIA- Tyre Industry Association  
 SEMA - Specialty Equipment Market Association Show



**Asia's Most Admired Leader**

Dr. Raghupati Singhania

# JK Tyre Recognised by National & International Bodies



India's First and Only Tyre Superbrand

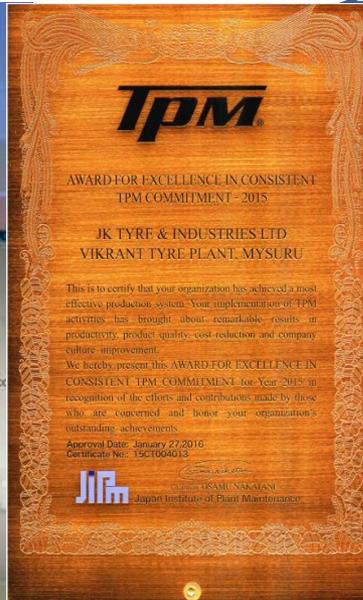


Ranked No. 1 in Customer Satisfaction by JD Power Asia Pacific Study 2015



Awarded Brand of the Year 2015 by World Branding Forum, London

# JK Tyre & Industries Ltd. – Quality Excellence Journey



TPM Consistency Award 2015” by Japan Institute of Plant Management (JIPM) – JK Tyre & Industries Limited, Vikrant Tyre Plant, Mysuru.

**2015**  
 SA 8000 | :2008  
 ISO 27001:2013  
 NABL 17025:2005  
 ISO 14064  
 TPM Consistency Award-VTP  
 GRI-4 (Sustainability Reporting )

**2013**  
 OHSAS 18001:2007- CTP  
 ISO 14001:2004 - CTP  
 EnMs ISO-50001 - CTP, VTP  
 CII GreenCo Rating - KTP

**2012**  
 EnMs ISO-50001-KTP  
 TS 16949:2009 LOC CTP

**2010**  
 TPM

**2003**  
 ISO 9000-2000  
 TS-16949

**2001**  
 EFQM  
 Commendation

**1999**  
 ISO 14001

**1994**  
 ISO 9001  
 & QS -9000

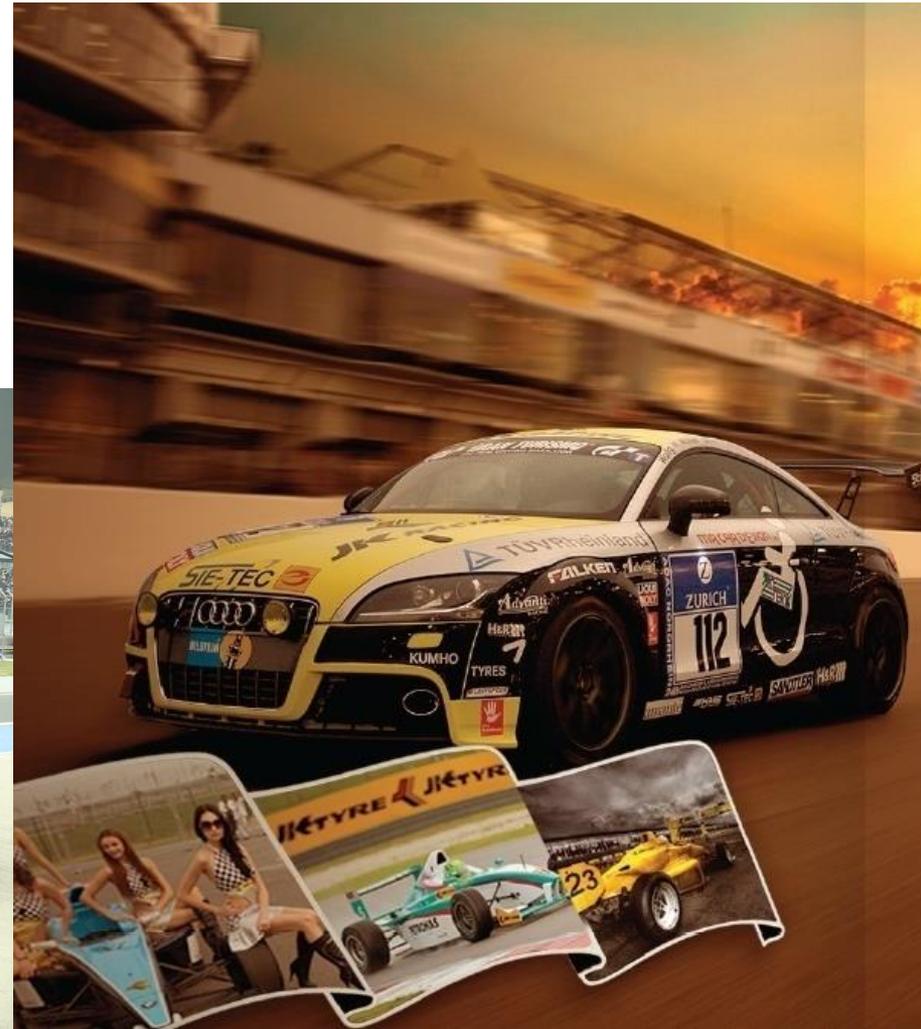


# Brand Building – Racing

## The legend of Racing in India

JK Tyre acquired Formula BMW Series

- ❖ Rechristened “JK Racing Asia Series” (JKRAS)
- ❖ Created history in Indian Motorsport
- ❖ First Indian company to acquire an FIA (Fédération Internationale de l'Automobile) accredited series



# JK Tornel, Mexico – a Strategic Acquisition

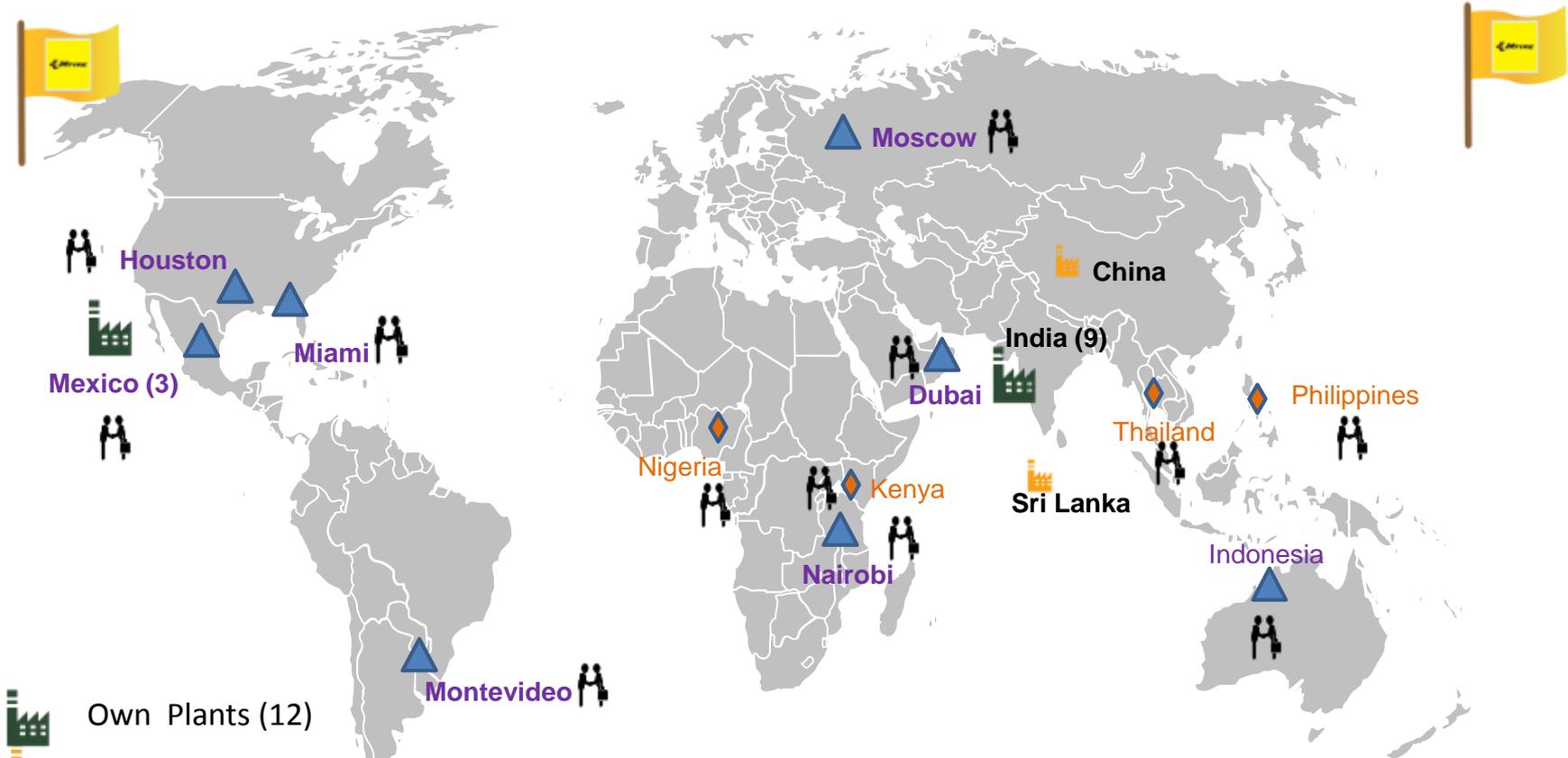


- ❖ Low cost acquisition of additional capacity
- ❖ Free access to NAFTA & other trade blocks
- ❖ Enlarge JK Tyre's global footprint
- ❖ North America and emerging Latin America markets

# JK Tornel - Mexico

<ul style="list-style-type: none"> <li>❖ <b><u>Capacity :</u></b> 8.3 Mn Tyres p.a.</li> <li>❖ <b><u>No of Plants :</u></b> 3 plants in Mexico (Azcapotzalco, Tultitlan &amp;Hidalgo)</li> </ul>	<ul style="list-style-type: none"> <li>❖ <b><u>Product range</u></b> <ul style="list-style-type: none"> <li>• Passenger Car Radial</li> <li>• Truck Radial (outsourced)</li> <li>• Light Truck Radial</li> <li>• Truck Bias</li> <li>• Light Truck Bias</li> <li>• Farm Tyres</li> <li>• Industrial Tyres</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>❖ <b><u>Significantly improved operation in last 8 years through :</u></b> <ul style="list-style-type: none"> <li>• Tornel awarded ‘<b>Outstanding Quality Award winner</b>’ by Chrysler</li> <li>• Enhanced capacity utilisation (40% to 70%)</li> <li>• Improved Plant efficiencies</li> <li>• Enhanced market share across all products</li> <li>• Awarded “ <b>Superbrand</b>”, 2015</li> </ul> </li> </ul>															
<ul style="list-style-type: none"> <li>❖ <b><u>Present Market Share:</u></b> <ul style="list-style-type: none"> <li>• Truck Bias : 88%</li> <li>• LCV Bias : 85%</li> <li>• Passenger Line Radials : 8%</li> <li>• LTR : 6%</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>❖ <b><u>Entered OEM Ist time</u></b> <ul style="list-style-type: none"> <li>• Chrysler</li> <li>• Nissan – Car/Light Truck Radial (LTR)</li> <li>• John Deere – Farm</li> <li>• Case New Holland (CNH)</li> </ul> </li> </ul>	<table border="1"> <thead> <tr> <th style="background-color: #00838f; color: white;">Financials (Apr'15- Mar'16) Audited</th> <th style="background-color: #00838f; color: white;">Mn Pesos</th> <th style="background-color: #00838f; color: white;">₹/Crs.</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>2808</td> <td>1104</td> </tr> <tr> <td>EBITDA</td> <td>403</td> <td>151</td> </tr> <tr> <td>PBT</td> <td>214</td> <td>78</td> </tr> <tr> <td>PAT</td> <td>147</td> <td>51</td> </tr> </tbody> </table>	Financials (Apr'15- Mar'16) Audited	Mn Pesos	₹/Crs.	Sales	2808	1104	EBITDA	403	151	PBT	214	78	PAT	147	51
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Sales	2808	1104															
EBITDA	403	151															
PBT	214	78															
PAT	147	51															

# JK Tyre : Global Footprint



-  Own Plants (12)
-  Outsourcing (2)
-  Marketing Hub
-  Existing – 8
-  Planned – 4

**- Presence in over 100 countries across the globe**

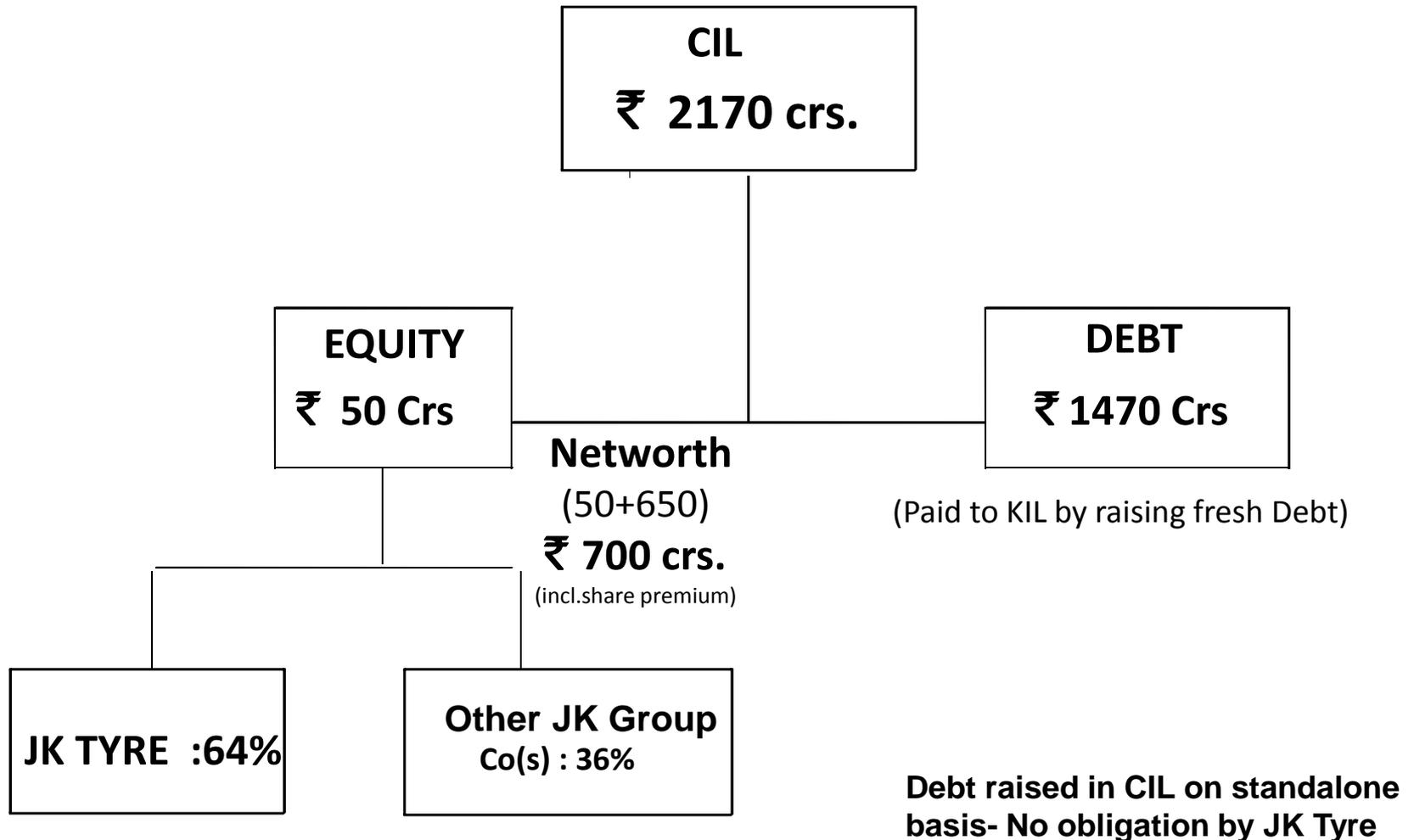
	<u>2015-16</u>	<u>USD Mn</u>	<u>₹ Crs.</u>
- From India		90	581
- Global		130	847

- ❖ JK Tyre & Industries acquired Cavendish Industries ..effective 13<sup>th</sup> April, 2016
- ❖ CIL acquisition gives **JK Tyre strategic entry into 2/3 Wheeler Category**
- ❖ Product line : TBB tyres, TBR tyres, 2-3W tyres, Tractor tyres, Tubes &Flaps
- ❖ Capacity – **100 lacTyres p.a.** →
  - Truck Bias: 17.5 Lacs
  - Truck Radial: 12 Lacs
  - Non-Truck Bias: 7.5 Lacs
  - 2/3 Wheeler : 63 Lacs
- ❖ Laksar plant is an excise benefit zone -excise exemption of 10 years (upto 2020)



# Acquisition of CIL at an Enterprise Value of ₹ 2170 crs.

## Deal Structure & Financing



# Capacity

## 12 Tyre Plants

### ❖ India -9

- Kankroli, Rajasthan
- Banmore, Madhya Pradesh
- Mysore, Karnataka -3
- Chennai, Tamil Nadu
- Laksar, Haridwar – 3

### ❖ Mexico -3

- Azcapotzalco
  - Tultitlan
  - Hidalgo
- } In Mexico City

## Combined Facility

Lac Nos. p.a.

S.No.	Particulars	JKTIL	CIL	Total - India	Tornel, Mexico	Total - India & Mexico
1	Truck Bias	23.18	17.57	40.75	6.38	47.13
2	Truck Radial	22.65	11.99	34.64		34.64
	Total Truck	45.83	29.56	75.39	6.38	81.77
3	Passenger Line Radial	98.85		98.85	52.00	150.85
4	2/3 Wheeler		63.02	63.02		63.02
5	Others (LCV,Car, Farm -Bias & OTR)	22.27	7.48	29.75	24.85	54.60
6	<b>Total</b>	<b>166.95</b>	<b>100.06</b>	<b>267.01</b>	<b>83.23</b>	<b>350.24</b>
7	<b>Tons per day (TPD)</b>	1143	627	1770	340	2110
	<b>% TPD to Total</b>	54	30	84	16	100

# JK Tyre - Financial Results - 6 Months ending 30.09.2016

₹crs.

Particulars	Standalone		Consolidated	
	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)
Gross Sales & Other Income	3257	3336	4035	3916
Net Sales & Other Income	2935	2994	3713	3573
PBIDT	491	537	757	621
<i>% to Net Sales &amp; Other Income</i>	<i>16.7</i>	<i>17.9</i>	<i>20.4</i>	<i>17.4</i>
PBDT	360	416	545	494
PBT	263	325	296	354
PAT	183	221	200	233

# JK Tyre -Financial Results – Quarter ending 30.09.2016

Standalone

₹crs.

Particulars	Quarter Ended		Year Ended	
	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (Audited)	31.03.2015 (Audited)
Gross Sales & Other Income	1601	1670	6580	6799
Net Sales & Other Income	1450	1498	5895	6140
PBIDT	229	272	1006	766
<i>% to Net Sales &amp; Other Income</i>	15.8	18.2	17.1	12.5
PBDT	163	215	777	526
PBT	117	164	590	377
PAT	82	113	401	253

# JK Tyre -Financial Results – Quarter ending 30.09.2016

Consolidated

₹crs.

Particulars	Quarter Ended		Year Ended	
	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (Audited)	31.03.2015 (Audited)
Gross Sales & Other Income	2077	1974	7654	8060
Net Sales & Other Income	1926	1802	6970	7401
PBIDT	394	317	1158	948
<i>% to Net Sales &amp; Other Income</i>	<i>20.4</i>	<i>17.6</i>	<i>16.6</i>	<i>12.8</i>
PBDT	283	256	913	690
PBT	148	173	669	486
PAT	100	116	464	330

# The Product Range

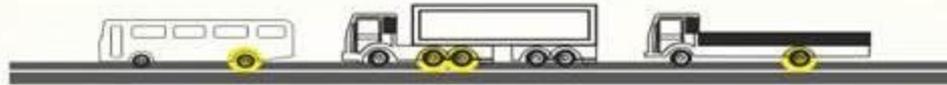
## CHALLENGER CDH

Launched in the month of August



### FEATURES & BENEFITS

- Wide crown and shoulder blocks for good even wear
- Optimum circumferential grooves for even pressure distribution
- New high mileage tread Compound with high resistance to cut and chip
- Wide lateral groove for better traction and braking efficiency



Size	Rim Size	PR	Outer Diameter (mm)	Section Width (mm)	NSD (mm)	Speed Index	Load Index
10.00 R 20	7.5x20	16	1068	280	17.5	K (110)	146/143

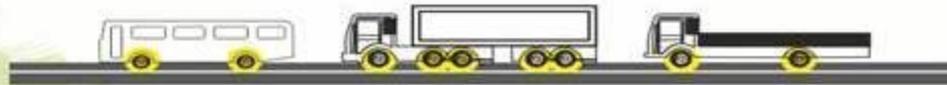
## CHALLENGER CUC

Will be Launched in the month of November



### FEATURES & BENEFITS

- Unique Zigzag Pyramidal cross sectional groove for excellent traction
- Deep buttress window for cool running and good traction
- Wide tread surface for good even pressure distribution
- Robust casing design for long tyre life .



Size	Rim Size	PR	Outer Diameter (mm)	Section Width (mm)	NSD (mm)	Speed Index	Load Index
10.00 R 20	7.5x20	16	1053	280	16.5	K (110)	146/143

# JK Tyre making significant entry in 2/3 wheeler market

- ❖ Domestic 2/3 wheeler tyre market has grown at 7.4% over last 2 years & is expected to grow at 8% going forward
- ❖ JK Tyre Launches Tubeless Tyres under the Brand Name “Blaze” for Motorcycles and Scooters

**JKTYRE**

PRESENTS

**TWO WHEELER TYRES THAT GIVE YOU TOTAL CONTROL**

RACETRACK TESTED AND 100% RUNOUT TESTED WITH HYBRID TECHNOLOGY.

PATTERN	AVAILABLE SIZES
BR31	100/90-17
BR21	2.75-18, 3.00-17, 3.00-18
BR11	2.75-18, 3.00-17, 3.00-18, 3.50-19
BF11	2.75-17, 2.75-18, 3.25-19
BA21	90/90-12, 90/100-10
BA11	2.50-16

— BR31 — — BR21 — — BR11 — — BF11 — — BA21 —  
— BA11 —

**BLAZE**

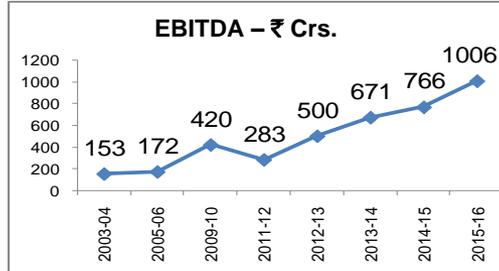
100% RUNOUT TESTED RACETRACK TESTED WITH HYBRID TECHNOLOGY

# Key Achievements 2015-16

❖ Growth backed by improved Profitability YOY

.....narrowing the gap with competition

✓ Highest ever EBITDA: ₹1006 Cr  
(EBITDA Margin 17.1%)



✓ Highest ever Profitability

₹ Crs.	Standalone	Consolidated
PBT	590 <i>up by 57%</i>	669 <i>up by 38%</i>
PAT	401 <i>up by 58%</i>	464 <i>up by 41%</i>

❖ ₹ 1430 Crs. Expansion Project Completed →

	Capacity (Lac Nos. p.a.)		
	Before Expansion	Additional	After Expansion
TBR	14.65	8.00	22.65
PCR/LTR	81.10	17.75	98.85

❖ PCR Expansion Project at Mexico of USD 22 Mn from 3.5 Mn to 5 Mn tyres completed

❖ Credit rating upgraded →

Particulars	CARE		India Ratings (FITCH)	
	Revised	Earlier	Revised	Earlier
Short Term Facilities	<b>CARE A1+</b>	CARE A1	<b>IND A1+</b>	IND A1
Long Term Facilities	<b>CARE AA-</b>	CARE A+	<b>IND AA-</b>	IND A+

❖ Leveraging Improved Significantly →

Ratios	(Standalone)		(Consolidated)	
	31.03.16	31.03.14	31.03.16	31.03.14
Long Term Debt/Equity	<b>1.06</b>	1.38	<b>0.89</b>	1.13
Total Debt/Equity	<b>1.68</b>	2.62	<b>1.53</b>	2.30

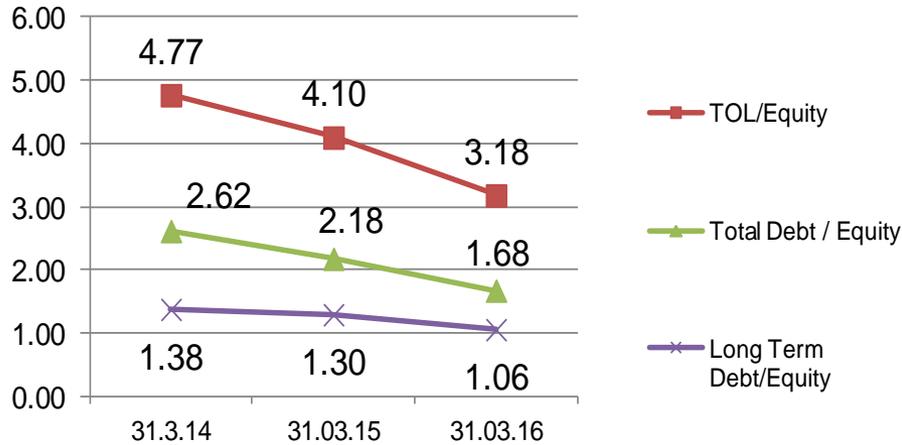
# Highlights of the Year 2015-16

- ❖ New Product Development (2015-16)
  - TBR – 20
  - PCR: India -44, Mexico – 27
- ❖ Revamped Supply Chain for Domestic & Export Operations
- ❖ Empowered Sales Force through Mobility Solutions
- ❖ Cost Reduction across all Plants
- ❖ Initiated several Digital & IT initiatives
  - Supply Chain
  - Dealer Portal
  - Selling Online

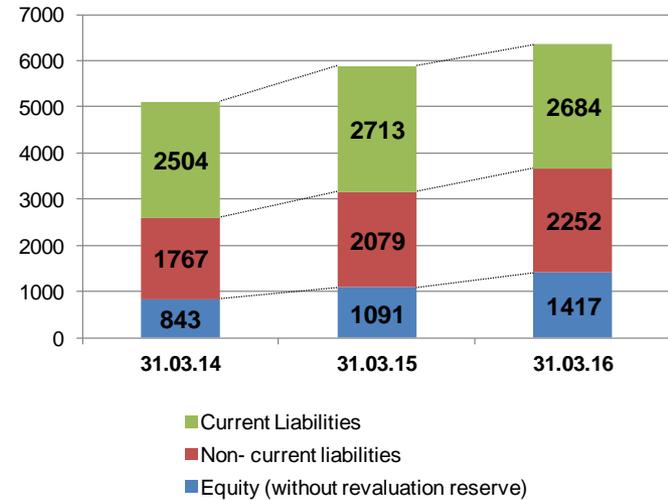
New products launched	
40	2011-12
62	2012-13
65	2013-14
63	2014-15
<b><u>121</u></b>	<b><u>2015-16</u></b>

# Balance Sheet & Ratios - Standalone

### Ratios



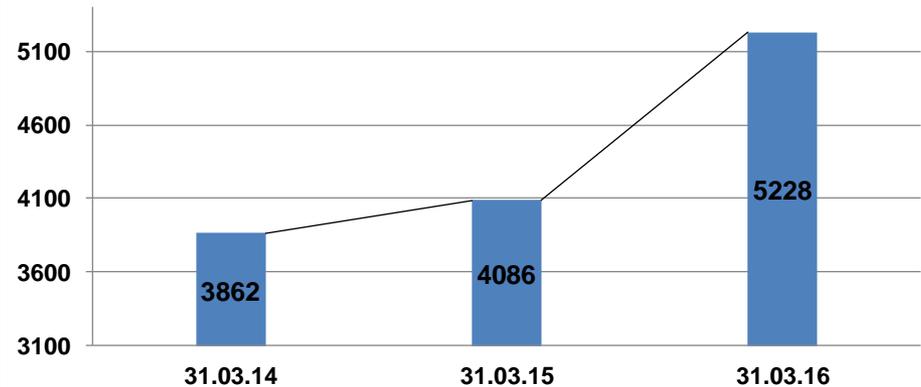
### Equity & Liabilities (₹ Crs.)



### Working capital Cycle

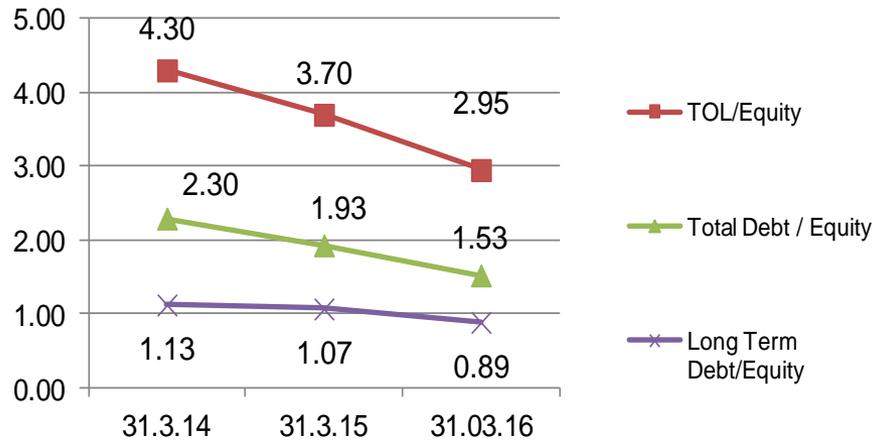
2013-14	60
2014-15	50
<b>2015-16</b>	<b>53</b>

### Gross Fixed Assets (₹ Crs.)

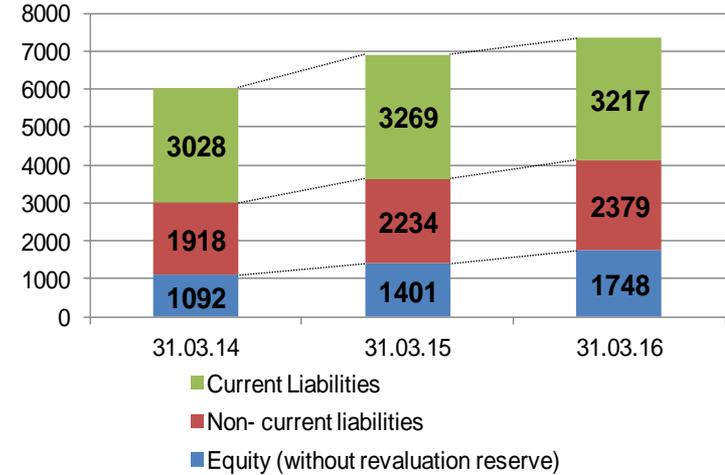


# Balance Sheet & Ratios - Consolidated

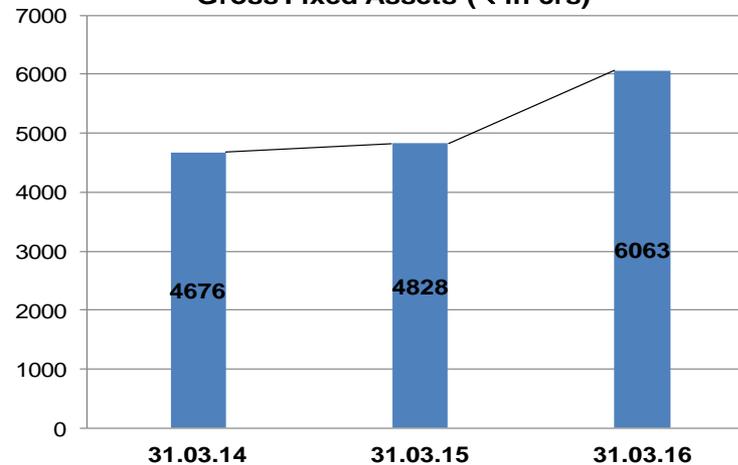
Ratios



Equity & Liabilities  
(₹ Crs.)



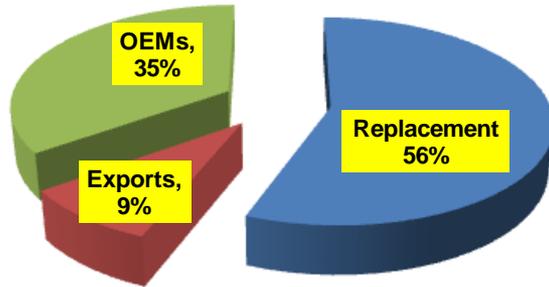
Gross Fixed Assets (₹ in crs)



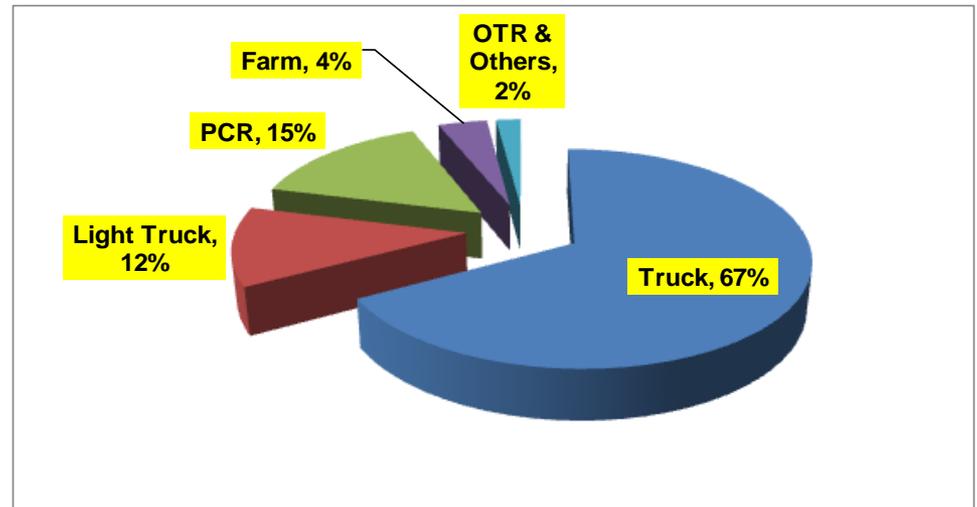
# JK Tyre - Revenue Segmentation

By Market

Apr'15- Mar'16 (Value)



By Product Line

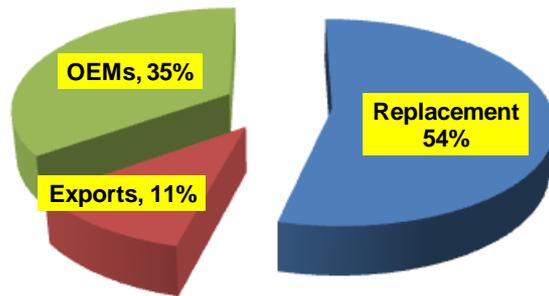


# JK Tyre - Current Customer Mix

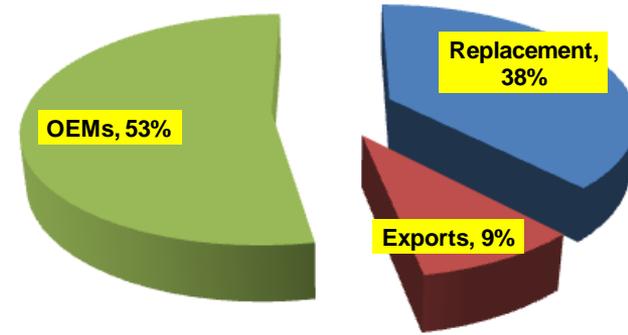
(Apr'15 – Mar'16)

(Nos.)

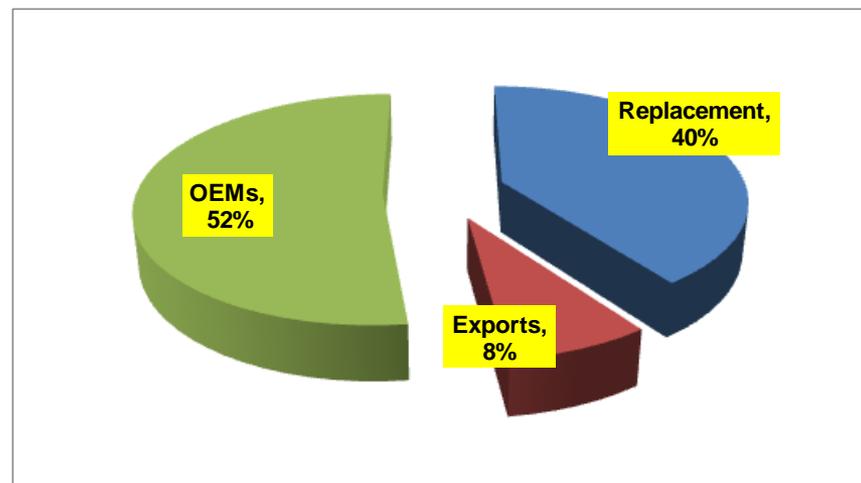
## Truck & Bus Tyres



## Truck Radial Tyres

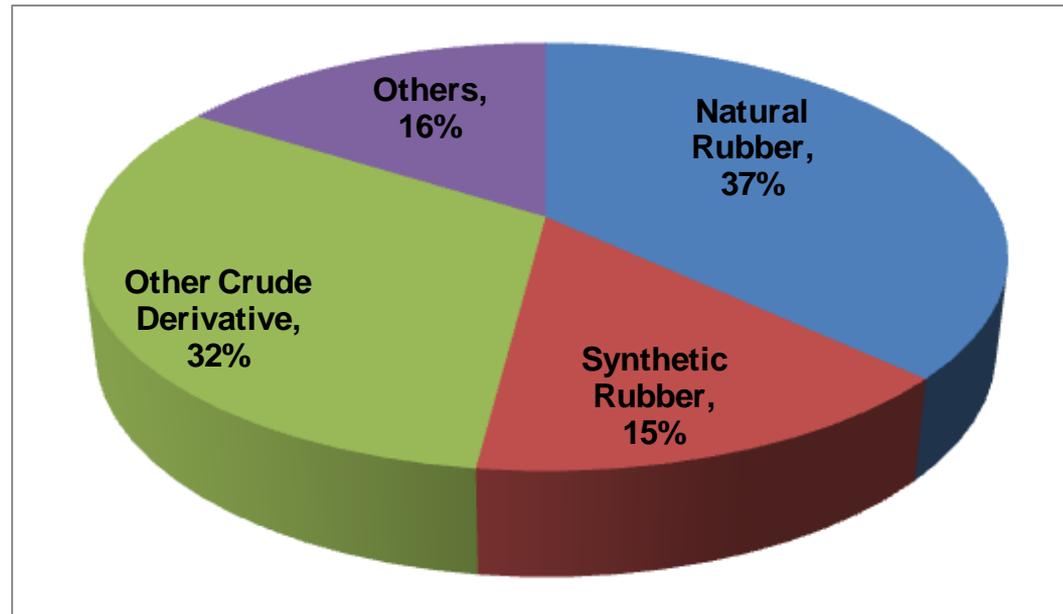


## Passenger Car Tyres



# Key Raw materials

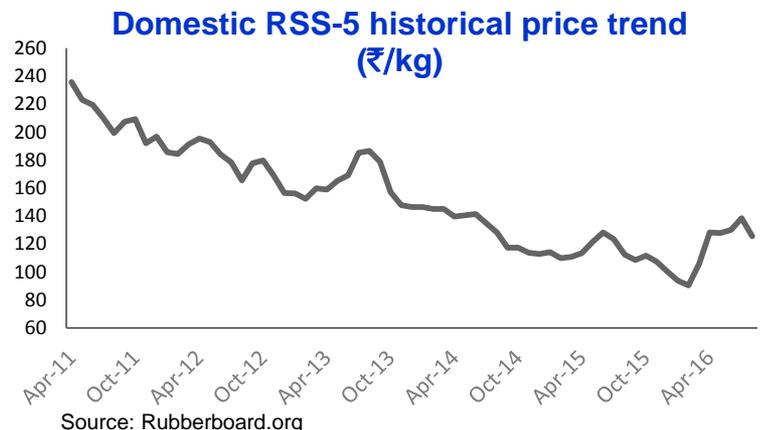
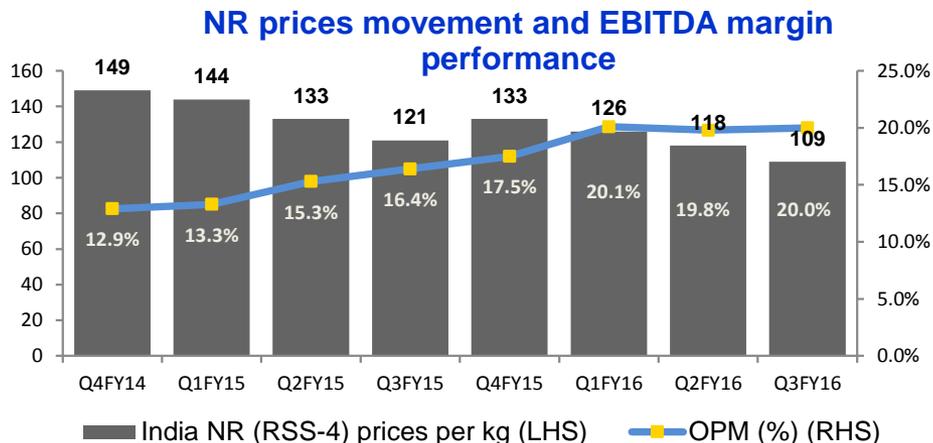
## Raw Material Composition (by value) -2015-16



*Favourable raw material prices to continue...*

# Raw Material Costs and Profitability

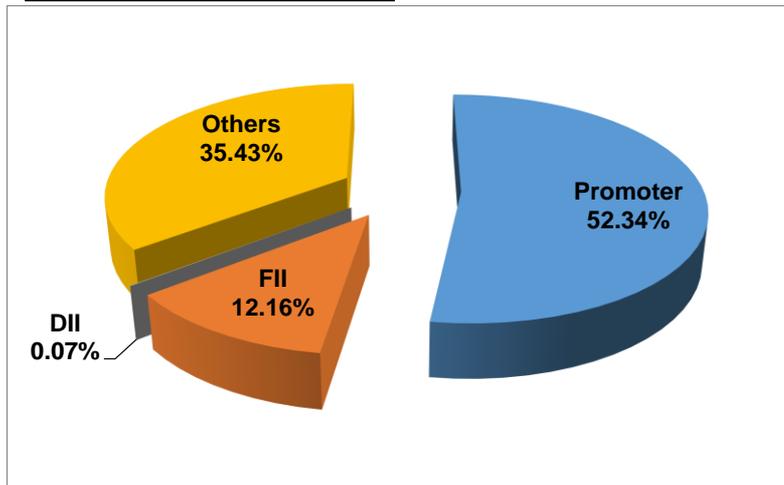
- ❖ Significant improvements in operating efficiencies helped JK Tyre to improve its profitability
- ❖ FY16 EBITDA margin highest in recent times due to low natural rubber (NR) prices. NR prices hit 8 year low level of ₹91/kg in Feb 2016
- ❖ Natural rubber, synthetic rubber, carbon black, tyre cord fabric & steel cord fabric are key raw materials accounting for ~80% of total raw material costs
- ❖ Natural rubber imports are imperative due to huge demand supply mismatch
- ❖ Synthetic rubber (SBR) is used in higher proportion in radial tyres
  - ▶ Prices of SBR are linked to crude oil; considering decline of crude oil prices during FY16, prices of crude linked derivatives such as SBR, carbon black & rubber chemicals have declined considerably
- ❖ With increase in radialisation of truck and bus tyres - nylon fabric shall be replaced by steel tyre cord



Source: "Indian Tyre Industry - March 2016", ICRA Research

# EQUITY SHAREHOLDING & PRICE TRENDS

## Shareholding Pattern as on September 2016



## Price Trend

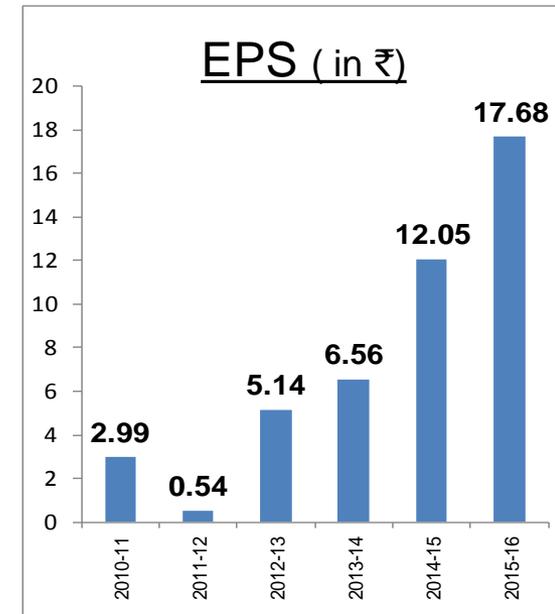
JK Tyre & Ind	▲ 85.65 +1.05 (+1.24%)	VOLUME	OPEN	HIGH	LOW
		3,50,865	84.50	86.60	84.20



## Market Information (Current)

- Market Price : ₹ 136 per Share
- Face Value: ₹ 2 per Share
- Market Cap : ₹ 3085 Crs
- Equity : ₹ 1417 Crs

**Increased intrinsic value of shares has enhanced Investor Wealth**



# JK TYRE – Key Challenges & Strategy

## CHALLENGES

1 Chinese Aggression



## STRATEGY

(a) By Offering Complete Product Basket

- JK – Premium
- Vikrant – Economy
- Challenger – Against Chinese



Launched innovative product “CHALLENGER” in TBR at competitive prices to combat Chinese tyres

(b) Cost Compression

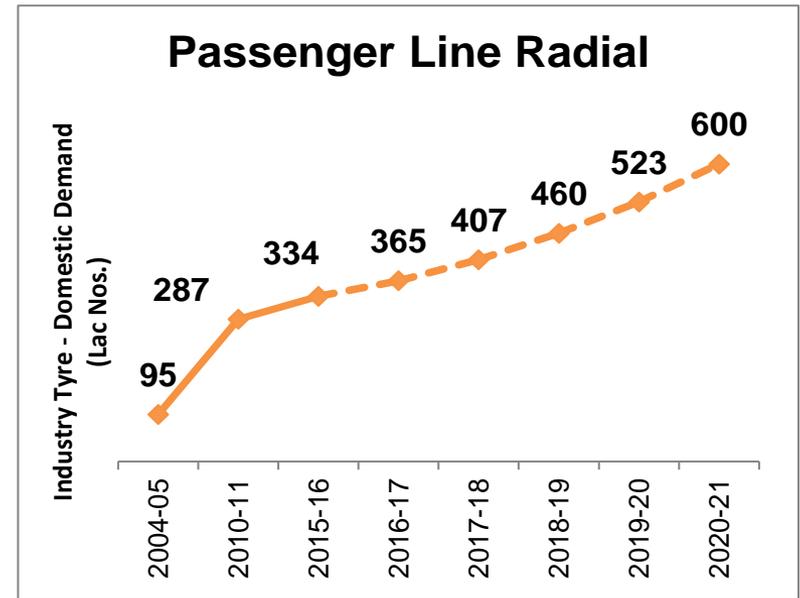
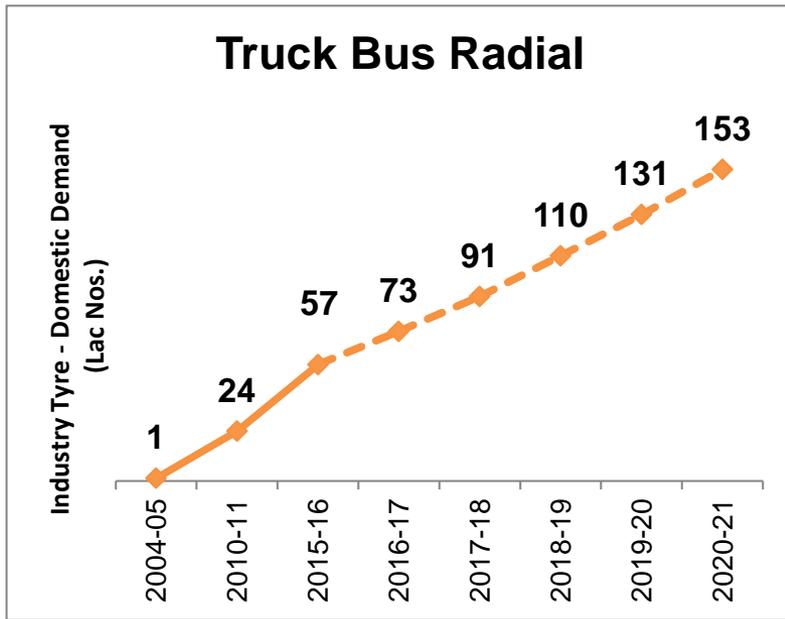
Strong operating efficiencies

- ✓ Energy consumption - *among top 4 tyre manufacturing companies in the world*
- ✓ Water consumption – *most efficient across all tyre companies*

# JK TYRE – Key Challenges & Strategy

	CHALLENGES	STRATEGY
2	<p>Revival in Commodity Prices</p> 	<p>❖ By Strategic Sourcing of Raw Materials</p> <ul style="list-style-type: none"><li>a) Alternate Sourcing</li><li>b) Alternate Material Usage</li><li>c) Cost reduction <a href="#">projects @1.5% of</a> annual RM procurement value every year</li></ul>

# Industry Demand



## Radialisation expected at faster pace (%)

----- Estimated

April-March

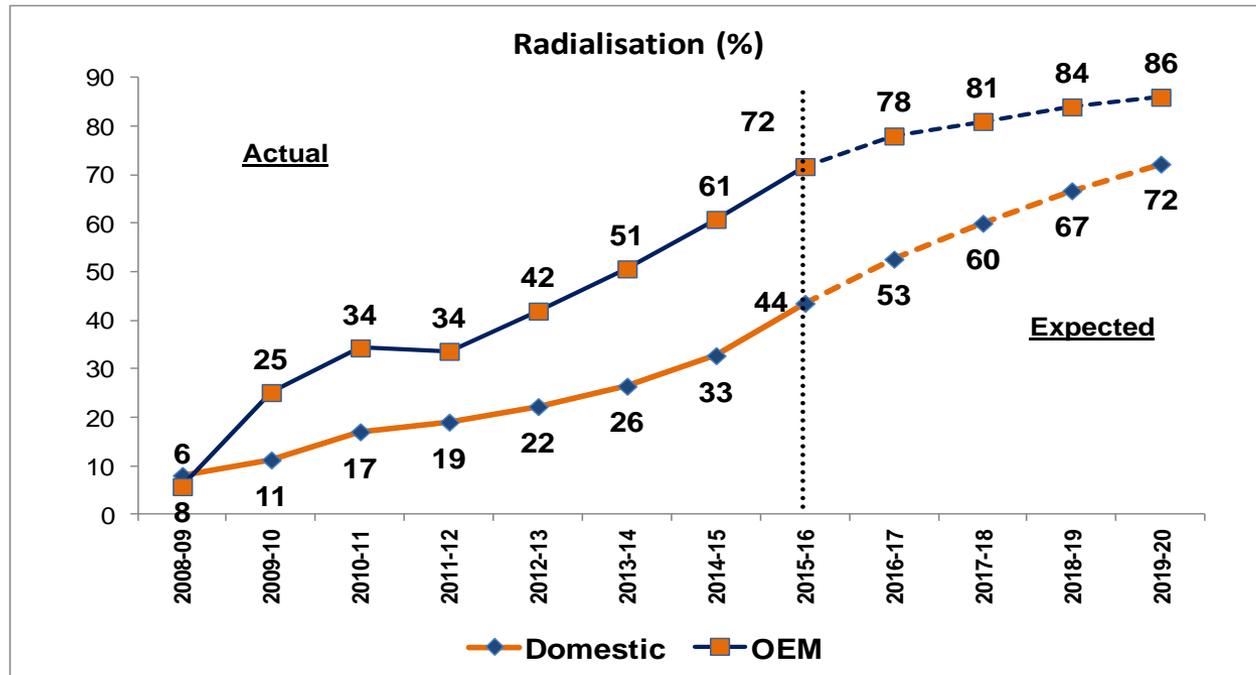
Particulars	2004-05	2011-12	2012-13	2013-14	2014-15	2015-16	2017-18 (Expected)	2020-21 (Expected)
Truck/Bus	1.5	18.6	22.2	26.4	32.7	43.5	60.0	77.4
Pass. Cars	86	98.5	98.1	98.2	98.4	98.8	99.0	99.3

**Presently : 46% (Jul'16-Sep'16)**

# Outlook

## Reinforce leadership position in Truck/Bus Radials

### ❖ Industry Shift towards Radial tyres



### ❖ Additional capacity from CIL will further consolidate our leadership in TBR

# Outlook

## Consolidate our position in PCR Segment

### ❖ Strengthen Brand shop Network by 2016-17

- 100 New Steel wheels targeting top cities (existing 200+)
- 100 New Xpress wheels targeting small towns (existing – 1)
- 100 New multibrand outlets (existing -200)



### ❖ Leverage Motorsports

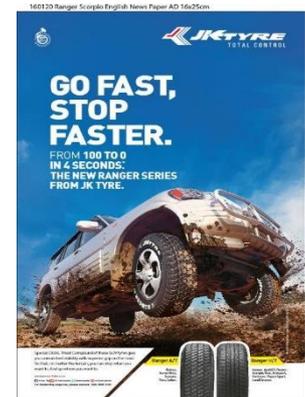
### ❖ Strategic Customer tie up – IOCL, HPCL, BPCL, Reliance



### ❖ Ranger Campaign –New TVC, Outdoor & Print

### ❖ E-Commerce -Tie up with Paytm for PCR tyre , selling through online

### ❖ Promoting new generation products – Ranger & UX Royale



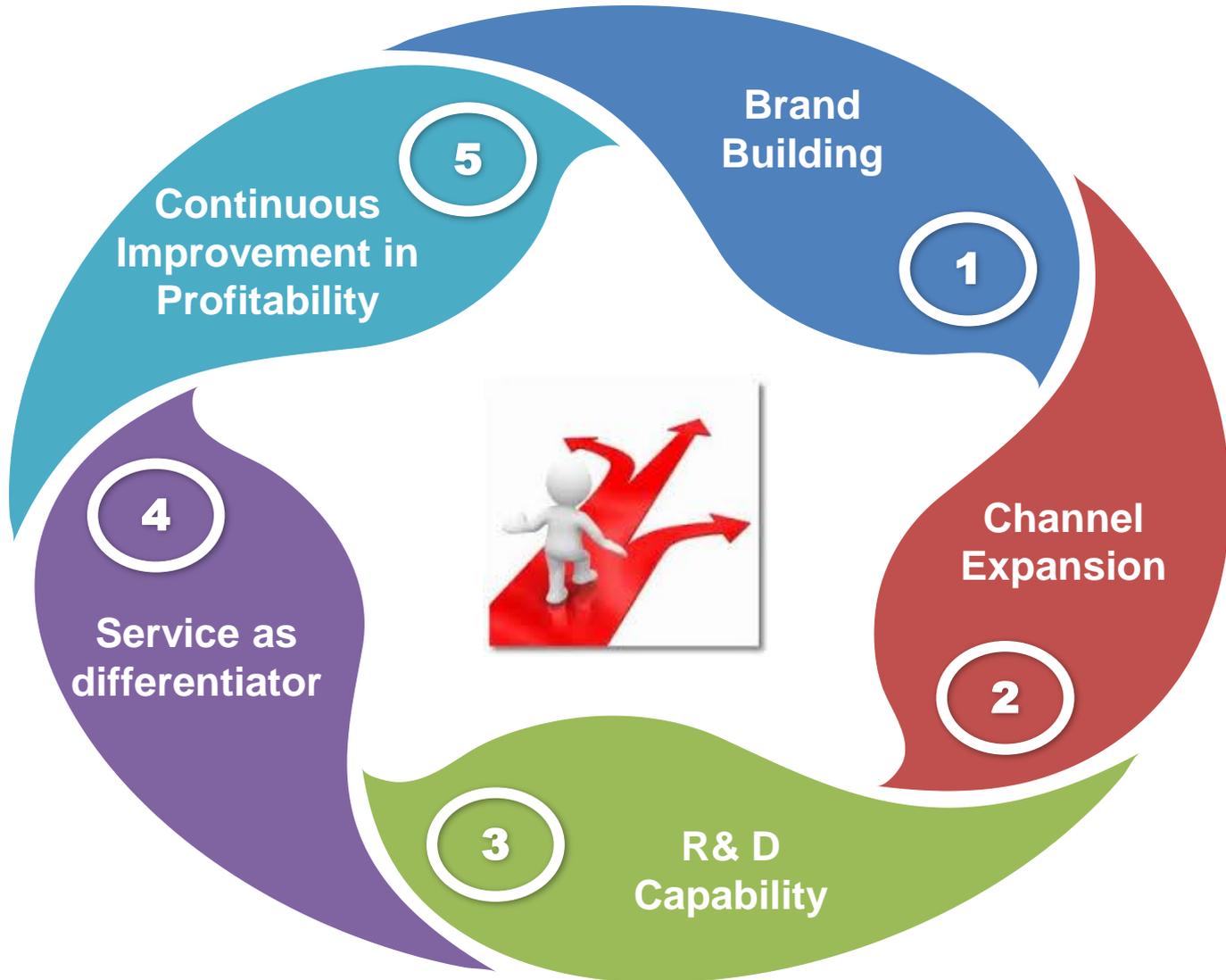
# Outlook

## Increase JK Tyre Global Business

- ❖ Focus on stable markets
- ❖ Product range augmentation in Radials - Truck/Bus (tubeless), SUV tyres, LCV tyres, PCR, OTR/Farm
- ❖ New marketing hubs – Philippines, Thailand, Kenya, Nigeria....by end of Q3/Q4 FY 17



# JK Tyre - Strategy to meet future Challenges



# Corporate Social Responsibility



- ❖ **Healthcare:** Free medical camps, Eye camps, population control program titled “Parivartan”, Pusphawati Singhania Research Institute



- ❖ **Education:** Lakshmiapat Singhania school in Jaykaygram, Adult literacy programmes in remote villages, Children career counselling



- ❖ **Environment:** 1,00,000 tree plantations in last five years, adoption of public parks, maintenance of civic amenities

- ❖ **Sports:** Promotion of various sport events and karting

*Thank You*