

Independent Auditor's Limited Review Report on Unaudited Consolidated Quarterly and year to date Financial Results of JK Tyre & Industries Limited Pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended

To
The Board of Directors
JK Tyre & Industries Limited
New Delhi.

1. We have reviewed the accompanying statement of Unaudited consolidated financial results of JK Tyre & Industries Limited ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associates, for the quarter ended September 30, 2022 and for the period April 1, 2022 to September 30, 2022 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34, "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with the relevant rules thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statements includes the results of the following entities:

(a) **Subsidiaries:**

3DInnovations Private Limited
J.K. International Limited
J.K. Asia Pacific Limited (JKAPL)
J.K. Asia Pacific (S) Pte Ltd (JKAPPL-Subsidiary of JKAPL)
Cavendish Industries Limited



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Lankros Holdings Limited (LANKROS)
Sarvi Holdings Switzerland AG (SARVI-Subsidiary of LANKROS)
J.K Tornel, S.A. de C.V. (JKTSA-Subsidiary of SARVI)
Comercializadora America Universal, S.A. DE C.V.*
Compania Hulera Tacuba, S.A de C.V.*
Compania Hulera Tornel, S.A. de C.V. (CHT)*
Compania Inmobiliaria Norida, S.A. de C.V.*
General de Inmuebles Industriales, S.A. de C.V.*
Gintor Administracion, S.A. de C.V.*
Hules Y Procesos Tornel, S.A. de C.V.*

* Subsidiary of JKTSA

(b) Associates:

Valiant Pacific L.L.C. (Associate of JKAPPL)
Dwarkesh Energy Limited
Western Tire Holdings, Inc. (Associate of CHT)
Trel Mobility Solutions Private Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Other matters:

(a) We did not review the financial results of 9 subsidiaries and 1 associate (including 8 step down subsidiaries and 1 associate incorporated outside India) included in the unaudited consolidated financial results, whose unaudited consolidated financial results reflect total assets Rs. 6,042.75 Crores as at September 30, 2022 and total revenue of Rs. 2,146.98 Crores and Rs. 4,036.47 Crores, total net profit after tax of Rs. 12.86 Crores and Rs. 20.19 Crores, total comprehensive income of Rs. 12.82 Crores and Rs. 20.04 Crores, for the quarter ended September 30, 2022 and for the period from April 1, 2022 to September 30, 2022 respectively and cash inflow (net) of Rs. 78.53 Crores for the period from April 1, 2021 to September 30, 2022, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also include the Group's share of net profit of Rs. 1.62 Crores and Rs. 2.93 Crores and total comprehensive income of Rs. 1.62 Crores and Rs. 2.96 Crores in respect of 1 associate for the quarter ended September 30, 2022 and for the period from April 1, 2022 to September 30, 2022 as considered in the unaudited consolidated financial results, whose financial results have not been verified by us. These financial results have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.



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(b) The Unaudited Consolidated Financial Statement also includes the financial results of 6 subsidiaries which have not been reviewed by their auditors, whose financial results reflect total Assets of Rs. 150.11 Crores as at September 30, 2022 and total revenue of Rs. 0.01 Crore and Rs. 0.03 Crore, and total net loss after tax of Rs. 0.24 Crore and Rs. 0.54 Crore and total comprehensive income/ (loss) of Rs. (0.24) Crore and Rs. (0.54) Crore for the quarter ended September 30, 2022, and for the period from April 1, 2022 to September 30, 2022 respectively and cash outflows (net) Rs. 0.37 Crore for the period from April 1, 2022 to September 30, 2022 as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also include the Group's share of net profit of Rs. 0.28 Crore and Rs. 0.04 Crore and total comprehensive income of Rs. 0.28 Crore and Rs. 0.03 Crore for the quarter ended September 30, 2022 and for the period April 1, 2022 to September 30, 2022, respectively, as considered in the unaudited consolidated financial results, in respect of 3 associates, based on their financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these financial results are not material to the group.

Our conclusion on the statement is not modified in respect of the above matters.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm Reg. No. 000756N




Harish Gupta
Partner

Membership No. 098336

UDIN: 22098336 BBQVS B6512

Place: New Delhi

Date: November 01, 2022

JK TYRE & INDUSTRIES LTD.

Statement of Unaudited Consolidated Financial Results for the Quarter and Half Year ended 30th September, 2022

(₹ in Crores)

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2022 (Unaudited)	30.06.2022 (Unaudited)	30.09.2021 (Unaudited)	30.09.2022 (Unaudited)	30.09.2021 (Unaudited)	31.03.2022 (Audited)
i.	Revenue from Operations	3756.52	3643.03	2986.66	7399.55	5595.10	11982.96
ii.	Other Income	7.82	6.55	10.93	14.37	20.91	36.56
iii.	Total Income (i+ii)	3764.34	3649.58	2997.59	7413.92	5616.01	12019.52
iv.	Expenses						
	Cost of Materials Consumed	2419.83	2616.58	2005.34	5036.41	3780.34	8169.60
	Purchases of Stock-in-trade	174.18	93.98	33.83	268.16	72.99	220.64
	(Increase) / Decrease in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	48.20	(145.52)	(53.07)	(97.32)	(180.75)	(350.95)
	Employee Benefits Expense	294.76	288.28	261.48	583.04	515.57	1065.35
	Finance Costs	109.39	99.14	106.39	208.53	214.33	419.09
	Depreciation and Amortisation Expense	99.16	100.68	97.14	199.84	193.36	385.36
	Other Expenses	522.16	504.83	446.67	1026.99	835.04	1805.02
	Total Expenses	3667.68	3557.97	2897.78	7225.65	5430.88	11714.11
v.	Operating Profit (PBIDT)	305.21	291.43	303.34	596.64	592.82	1109.86
vi.	Profit / (Loss) before Exceptional Items and Tax (III-IV)	96.66	91.61	99.81	188.27	185.13	305.41
vii.	Exceptional Items	(23.10)	(34.50)	1.97	(57.60)	(8.64)	3.60
viii.	Profit / (Loss) before Tax (VI+VII)	73.56	57.11	101.78	130.67	176.49	309.01
ix.	Tax Expense						
	(1) Current Tax	29.54	37.11	43.14	66.65	83.27	160.21
	(2) Deferred Tax	(4.82)	(13.87)	(5.55)	(18.69)	(14.92)	(51.50)
x.	Profit / (Loss) after Tax (VIII-IX)	48.84	33.87	64.19	82.71	108.14	200.30
xi.	Share in Profit / (Loss) of Associates	0.77	1.26	0.77	2.03	0.96	0.94
xii.	Profit / (Loss) for the period (X+XI)	49.61	35.13	64.96	84.74	109.10	201.24
xiii.	Profit / (Loss) for the period attributable to:						
	Owners of the Parent	51.31	37.20	66.56	88.51	112.88	210.02
	Non-controlling Interest	(1.70)	(2.07)	(1.60)	(3.77)	(3.78)	(8.78)
xiv.	Other Comprehensive Income						
(A)	Items that will not be Reclassified to Profit or Loss						
	Re-measurement losses on Defined Benefit Plans	(4.55)	(2.55)	(0.03)	(7.10)	(2.88)	(6.23)
	Share of Other Comprehensive Income in Associates	-	(0.01)	-	(0.01)	(0.01)	-
	Income Tax Relating to Items that will not be Reclassified to Profit or Loss	1.58	0.88	0.27	2.46	1.26	2.33
(B)	Items that will be Reclassified to Profit or Loss						
	Exchange Differences on Translating the Financial Statements of Foreign Operations	14.49	11.87	(13.63)	26.36	0.80	18.27
	Total Other Comprehensive Income for the period	11.52	10.19	(13.39)	21.71	(0.83)	14.37
xv.	Total Comprehensive Income for the period (XI+XIV)	61.13	45.32	51.57	106.45	108.27	215.61
xvi.	Other Comprehensive Income for the period attributable to:						
	Owners of the Parent	11.53	10.20	(13.66)	21.73	(1.09)	14.36
	Non-controlling Interest	(0.01)	(0.01)	0.27	(0.02)	0.26	0.01
xvii.	Total Comprehensive Income for the period attributable to:						
	Owners of the Parent	62.84	47.40	52.90	110.24	111.79	224.38
	Non-controlling Interest	(1.71)	(2.08)	(1.33)	(3.79)	(3.52)	(8.77)
xviii.	Paid-up Equity Share Capital (Face Value: ₹ 2/- per share)	49.25	49.25	49.25	49.25	49.25	49.25
xix.	Other Equity excluding Revaluation Reserve						2799.06
xx.	Earnings per equity share of ₹ 2 each Basic / Diluted (₹)	2.08	1.51	2.70	3.59	4.58	8.53



JK TYRE & INDUSTRIES LTD.

Statement of Consolidated Assets and Liabilities

(₹ in Crores)

Sl. No.	Particulars	As at 30.09.2022	As at 31.03.2022
		(Unaudited)	(Audited)
	ASSETS		
(1)	Non-current Assets		
(a)	Property, Plant and Equipment	6165.64	6197.97
(b)	Capital Work-in-progress	149.58	100.56
(c)	Investment Property	5.58	5.63
(d)	Other Intangible Assets	230.88	225.40
(e)	Intangible Assets under Development	6.49	5.67
(f)	Financial Assets		
	- Investments accounted using Equity Method	68.16	61.84
	- Other Investments	74.50	70.91
	- Other Financial Assets	128.87	137.62
(g)	Deferred Tax Assets (Net)	100.70	86.92
(h)	Other Non-current Assets	40.87	21.26
		6971.27	6913.78
(2)	Current Assets		
(a)	Inventories	2624.59	2432.62
(b)	Financial Assets		
	- Trade Receivables	2218.72	1979.86
	- Cash and Cash Equivalents	174.67	94.05
	- Other Bank Balances	89.89	81.60
	- Other Financial Assets	101.05	208.84
(c)	Current Tax Assets (Net)	144.71	79.93
(d)	Other Current Assets	364.39	456.97
		5718.02	5333.87
	TOTAL ASSETS	12689.29	12247.65
	EQUITY AND LIABILITIES		
	Equity		
(a)	Equity Share Capital	49.25	49.25
(b)	Other Equity	2874.48	2799.06
	Equity Attributable to Owners of the Parent	2923.73	2848.31
(c)	Non-controlling Interest	95.37	99.16
		3019.10	2947.47
	Liabilities		
(1)	Non-current Liabilities		
(a)	Financial Liabilities		
	- Borrowings	2470.42	2475.93
	- Lease Liabilities	54.63	65.00
	- Other Financial Liabilities	711.30	636.38
(b)	Provisions	131.00	119.85
(c)	Deferred Tax Liabilities (Net)	415.54	405.12
		3782.89	3702.28
(2)	Current Liabilities		
(a)	Financial Liabilities		
	- Borrowings	2852.59	2639.27
	- Lease Liabilities	42.45	40.18
	- Trade Payables		
	Micro & Small Enterprises	38.60	49.00
	Others	2248.77	2139.52
	- Other Financial Liabilities	393.05	396.40
(b)	Other Current Liabilities	301.68	279.31
(c)	Provisions	10.14	17.42
(d)	Current Tax Liabilities (Net)	0.02	36.80
		5887.30	5597.90
	TOTAL EQUITY AND LIABILITIES	12689.29	12247.65



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JK TYRE & INDUSTRIES LTD.

Information about Operating Segments:

(₹ in Crores)

PARTICULARS	Consolidated Financial Results					
	Quarter Ended			Half Year Ended		Year Ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. SEGMENT REVENUE						
India	3149.53	3058.57	2578.36	6208.10	4841.45	10352.83
Mexico	720.98	673.25	541.65	1394.23	1012.09	2119.14
Others	0.00	0.00	0.81	0.00	0.81	1.43
Total Segment Revenue	3870.51	3731.82	3120.82	7602.33	5854.35	12473.40
Inter-segment Sales	(113.99)	(88.79)	(134.16)	(202.78)	(259.25)	(490.44)
Income from Operations	3756.52	3643.03	2986.66	7399.55	5595.10	11982.96
2. SEGMENT RESULTS						
Profit / (Loss) before Finance Costs, Exceptional Items & Tax						
India	154.88	144.03	163.36	298.91	326.16	582.44
Mexico	51.52	47.13	42.27	98.65	73.27	142.06
Others	(0.35)	(0.41)	0.57	(0.76)	0.03	-
Total	206.05	190.75	206.20	396.80	399.46	724.50
Less: Finance Costs	(109.39)	(99.14)	(106.39)	(208.53)	(214.33)	(419.09)
Profit Before Exceptional Items & Tax	96.66	91.61	99.81	188.27	185.13	305.41
Exceptional Items	(23.10)	(34.50)	1.97	(57.60)	(8.64)	3.60
Profit Before Tax	73.56	57.11	101.78	130.67	176.49	309.01
3. CAPITAL EMPLOYED						
(Segment Assets)						
India	10985.20	10873.10	10207.18	10985.20	10207.18	10772.08
Mexico	1640.61	1592.41	1254.77	1640.61	1254.77	1415.89
Others	63.48	61.55	58.86	63.48	58.86	59.68
Total Assets	12689.29	12527.06	11520.81	12689.29	11520.81	12247.65
(Segment Liabilities)						
India	8698.57	8575.29	7858.66	8698.57	7858.66	8458.89
Mexico	971.26	957.67	823.04	971.26	823.04	840.82
Others	0.36	0.37	0.72	0.36	0.72	0.47
Total Liabilities	9670.19	9533.33	8682.42	9670.19	8682.42	9300.18
CAPITAL EMPLOYED						
(Segment Assets - Segment Liabilities)						
India	2286.63	2297.81	2348.52	2286.63	2348.52	2313.19
Mexico	669.35	634.74	431.73	669.35	431.73	575.07
Others	63.12	61.18	58.14	63.12	58.14	59.21
Total Capital Employed	3019.10	2993.73	2838.39	3019.10	2838.39	2947.47



JK TYRE & INDUSTRIES LTD.

Notes:

* Standalone financial information of the Company:

(₹ in Crores)

PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
	30.09.2022 (Unaudited)	30.06.2022 (Unaudited)	30.09.2021 (Unaudited)	30.09.2022 (Unaudited)	30.09.2021 (Unaudited)	31.03.2022 (Audited)
Turnover	2418.08	2339.18	2028.07	4757.26	3761.91	8062.26
Operating Profit (PBITD)	180.77	176.66	201.38	357.43	389.57	730.70
Profit before Tax	47.98	39.43	83.97	87.41	152.54	264.30
Profit after Tax	36.07	26.67	54.39	62.74	98.98	183.04

Standalone Financial Results for the Quarter and Half year ended 30.09.2022 can be viewed on websites of the Company, National Stock Exchange of India Ltd. and BSE Ltd. at www.jktyre.com, www.nseindia.com and www.bseindia.com respectively.

- * The Company operates its business through three operating segments, representing our business on the basis of geographies which are India, Mexico and Others.
- * Exceptional Item primarily represents unrealised forex loss caused by recent volatility in exchange rates and consequential re-instatement of foreign currency borrowings. It also includes ₹0.20 crore toward VRS expense.
- * The Competition Commission of India ("CCI") on 2nd February 2022 has released an Order dated 31st August 2018 for alleged contravention of provisions of the Competition Act, 2002 against the Company, certain other Tyre manufacturers and Automotive Tyre Manufacturers Association. CCI had imposed a penalty of ₹309.95 crores on the Company. The Company has filed an Appeal before the Hon'ble National Company Law Appellate Tribunal against the said CCI Order. Based on legal advice the Company believes that it has a strong case and accordingly no provision has been made in the accounts.
- * Statement of cash flow is attached in Annexure-I.
- * The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meeting held on 1st November, 2022. The auditors of the company have carried out the "Limited Review" of the same.
- * Figures for the previous periods have been regrouped / rearranged, wherever necessary.

JK Tyre secures 'Best in Class' ESG rating from CareEdge

New Delhi
1st November, 2022

For JK Tyre & Industries Ltd.


Raghupati Singhania
Chairman & Managing Director

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, Website: www.jktyre.com, Corporate Identity Number: L67120RJ1951PLC045966



JK TYRE & INDUSTRIES LTD.
Annexure -I
Consolidated Cash Flow Statement for the half year ended 30th September, 2022

(₹ in Crores)

Sl. No.	Particulars	Half Year Ended	
		30.09.2022 (Unaudited)	30.09.2021 (Unaudited)
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before Tax	130.67	176.49
	Adjustment for:		
	Depreciation and Amortisation Expense	199.84	193.36
	Finance Costs	208.53	214.33
	(Profit) / Loss on Sale of Property, Plant & Equipment	(0.60)	(0.20)
	Fair Value Changes in Non-current Investments	(0.79)	(1.36)
	Unrealised Foreign Exchange Fluctuation	40.12	4.40
	Foreign Currency Translation gain / (loss) on Consolidation	(1.77)	(4.49)
	Interest / Dividend Received	(10.68)	(16.49)
	Allowance for Doubtful Debts / Advances and Bad debts written off	3.50	1.00
	Operating Profit before Working Capital changes	568.82	567.04
	(Increase) / Decrease in Trade and Other Receivables	46.99	(244.54)
	(Increase) / Decrease in Inventories	(167.75)	(315.06)
	Increase / (Decrease) in Trade and Other Payables	115.12	178.17
	Cash generated from Operations	563.18	185.61
	Direct Taxes (net)	(145.86)	(27.24)
	Net Cash flow from Operating Activities	417.32	158.37
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Property, Plant and Equipment	(228.99)	(167.95)
	Sale of Property, Plant and Equipment	32.63	7.10
	Deposit Accounts with Banks	(6.50)	(1.57)
	Interest Received	5.54	10.86
	Dividend Received	0.02	0.01
	Net Cash used in Investing activities	(197.30)	(151.55)
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds / (Utilisation) from Short-term Borrowings (Net)	211.29	492.36
	Proceeds from Long-term Borrowings	187.06	422.69
	Repayment of Long-term Borrowings	(289.96)	(606.17)
	Payment of Lease Liabilities	(13.85)	(15.87)
	Finance Costs paid	(197.98)	(211.25)
	Dividend paid	(36.93)	(49.25)
	Net Cash from / (used in) Financing Activities	(140.37)	32.51
	Net increase / (decrease) in Cash and Cash Equivalents	79.65	39.33
	Cash and Cash Equivalents as at the beginning of the period	94.05	88.66
	Foreign Currency Translation gain / (loss) on Cash and Cash Equivalents	0.97	0.35
	Cash and Cash Equivalents as at the end of the period	174.67	128.34
Notes:	Cash and Cash Equivalents include:		
	- Cash, Cheques on hand and Remittances in transit	8.43	0.25
	- Balances with Banks	165.27	127.74
	- Unrealised Translation gain / (loss) on Foreign Currency balances	0.97	0.35
	Total	174.67	128.34

