

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

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 share of net profit /(loss) after tax and total comprehensive income/ (loss) of its associates, for the quarter ended September 30, 2023 and for the period April 1, 2023 to September 30, 2023 ("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
Lankros Holdings Limited (LANKROS)
Sarvi Holdings Switzerland AG (SARVI-Subsidiary of LANKROS)



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J.K Tornel, S.A. de C.V. (JKTSA-Subsidiary of SARVI)
Comercializadora América Universal, S.A. DE C.V.*
Compañía Hulera Tacuba, S.A de C.V.*
Compañía Hulera Tornel, S.A. de C.V. (CHT)*
Compañía Inmobiliaria Norida, S.A. de C.V.*
General de Inmuebles Industriales, S.A. de C.V.*
Gintor Administración, 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)
Treal 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. 6,366.33 Crores as at September 30, 2023 and total revenue of Rs. 1,973.45 Crores and Rs. 3,918.43 Crores, total net profit after tax of Rs. 67.80 Crores and Rs. 125.24 Crores and total comprehensive income of Rs. 67.58 Crores and Rs. 125.01 Crores, for the quarter ended September 30, 2023 and for the period from April 1, 2023 to September 30, 2023 respectively and cash outflow (net) of Rs. 21.45 Crores for the period from April 1, 2023 to September 30, 2023, 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 Crores and Rs. 0.38 Crores and total comprehensive income of Rs. 0.35 Crores and Rs. 0.22 Crores in respect of 1 associate for the quarter ended September 30, 2023 and for the period from April 1, 2023 to September 30, 2023 respectively 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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& COMPANY**
CHARTERED ACCOUNTANTS

(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. 150.03 Crores as at September 30, 2023 and total revenue of Rs. 0.02 Crore and Rs. 0.03 Crore, total net loss after tax of Rs. 0.39 Crore and Rs. 0.81 Crore and total comprehensive income/ (loss) of Rs. (0.39) Crore and Rs. (0.81) Crore for the quarter ended September 30, 2023, and for the period from April 1, 2023 to September 30, 2023 respectively and cash inflow (net) Rs. 0.34 Crore for the period from April 1, 2023 to September 30, 2023 as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also include the Group's share of net profit of Rs. 0.98 Crore and Rs. 1.56 Crore and total comprehensive income of Rs. 0.97 Crore and Rs. 1.55 Crore for the quarter ended September 30, 2023 and for the period April 1, 2023 to September 30, 2023, 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 & Co**
Chartered Accountants
Firm Reg. No. 000756N



Vijay Kumar
Partner

Membership No. 092671



UDIN No: 23092671BGSIFY8988

Place: New Delhi

Date: November 01, 2023

JK TYRE & INDUSTRIES LTD.

Statement of Unaudited Consolidated Financial Results for the Quarter and Half Year Ended 30th September, 2023

(₹ in Crores)

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)	31.03.2023 (Audited)
I.	Revenue from Operations	3897.53	3718.08	3756.52	7615.61	7399.55	14644.94
II.	Other Income	7.79	8.33	7.82	16.12	14.37	36.52
III.	Total Income (I+II)	3905.32	3726.41	3764.34	7631.73	7413.92	14681.46
IV.	Expenses						
	Cost of Materials Consumed	2199.39	2171.89	2419.83	4371.28	5036.41	9600.31
	Purchases of Stock-in-trade	43.39	40.04	174.18	83.43	268.16	471.45
	(Increase) / Decrease in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	91.59	121.29	48.20	212.88	(97.32)	(60.82)
	Employee Benefits Expense	372.47	335.93	294.76	708.40	583.04	1218.02
	Finance Costs	109.22	122.24	109.39	231.46	208.53	454.50
	Depreciation and Amortisation Expense	108.04	105.81	99.16	213.85	199.84	407.06
	Other Expenses	601.55	591.81	522.16	1193.36	1026.99	2118.17
	Total Expenses	3525.65	3489.01	3667.68	7014.66	7225.65	14208.69
V.	Operating Profit (PBITD)	596.93	465.45	305.21	1062.38	596.64	1334.33
VI.	Profit / (Loss) before Exceptional Items and Tax (III-IV)	379.67	237.40	96.66	617.07	188.27	472.77
VII.	Exceptional Items	(2.85)	4.35	(23.10)	1.50	(57.60)	(61.52)
VIII.	Profit / (Loss) before Tax (VI+VII)	376.82	241.75	73.56	618.57	130.67	411.25
IX.	Tax Expense						
	(1) Current Tax	103.56	73.77	29.54	177.33	66.65	159.82
	(2) Deferred Tax	23.01	8.64	(4.82)	31.65	(18.69)	(13.31)
X.	Profit / (Loss) after Tax (VIII-IX)	250.25	159.34	48.84	409.59	82.71	264.74
XI.	Share in Profit / (Loss) of Associates	(1.63)	(0.75)	0.77	(2.38)	2.03	(1.69)
XII.	Profit / (Loss) for the period (X+XI)	248.62	158.59	49.61	407.21	84.74	263.05
XIII.	Profit / (Loss) for the period attributable to:						
	Owners of the Parent	242.11	153.87	51.31	395.98	88.51	262.48
	Non-controlling Interest	6.51	4.72	(1.70)	11.23	(3.77)	0.57
XIV.	Other Comprehensive Income						
(A)	Items that will not be Reclassified to Profit or Loss						
	Re-measurement losses on Defined Benefit Plans	(4.34)	(4.07)	(4.55)	(8.41)	(7.10)	3.52
	Share of Other Comprehensive Income in Associates	(0.01)	-	-	(0.01)	(0.01)	(0.01)
	Income Tax Relating to Items that will not be Reclassified to Profit or Loss	1.48	1.43	1.58	2.91	2.46	(0.27)
(B)	Items that will be Reclassified to Profit or Loss						
	Exchange Differences on Translating the Financial Statements of Foreign Operations	(5.09)	29.55	14.49	24.46	26.36	86.15
	Total Other Comprehensive Income for the period	(7.96)	26.91	11.52	18.95	21.71	89.39
XV.	Total Comprehensive Income for the period (XII+XIV)	240.66	185.50	61.13	426.16	106.45	352.44
XVI.	Other Comprehensive Income for the period attributable to:						
	Owners of the Parent	(7.93)	26.91	11.53	18.98	21.73	89.40
	Non-controlling Interest	(0.03)	-	(0.01)	(0.03)	(0.02)	(0.01)
XVII.	Total Comprehensive Income for the period attributable to:						
	Owners of the Parent	234.18	180.78	62.84	414.96	110.24	351.88
	Non-controlling Interest	6.48	4.72	(1.71)	11.20	(3.79)	0.56
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						3346.91
XX.	Earnings per equity share of ₹ 2 each						
	Basic (₹)	9.33	5.93	2.08	15.26	3.59	10.64
	Diluted (₹)	9.29	5.91	2.08	15.21	3.59	10.64






JK TYRE & INDUSTRIES LTD.

Statement of Consolidated Assets and Liabilities

(₹ in Crores)

Sl. No.	Particulars	As at 30.09.2023	As at 31.03.2023
		(Unaudited)	(Audited)
	ASSETS		
(1)	Non-current Assets		
(a)	Property, Plant and Equipment	6185.91	6208.81
(b)	Capital Work-in-progress	446.71	190.61
(c)	Investment Property	5.47	5.53
(d)	Other Intangible Assets	253.27	252.77
(e)	Intangible Assets under Development	5.27	4.36
(f)	Financial Assets		
	- Investments accounted using Equity Method	64.49	64.82
	- Other Investments	61.25	67.97
	- Other Financial Assets	68.13	69.12
(g)	Deferred Tax Assets (Net)	94.53	109.52
(h)	Other Non-current Assets	70.78	63.54
		7255.81	7037.05
(2)	Current Assets		
(a)	Inventories	2082.34	2170.53
(b)	Financial Assets		
	- Investments	10.99	11.17
	- Trade Receivables	2595.83	2283.22
	- Cash and Cash Equivalents	150.62	173.15
	- Other Bank Balances	103.18	92.65
	- Other Financial Assets	154.57	171.94
(c)	Current Tax Assets (Net)	74.39	110.00
(d)	Other Current Assets	459.16	398.85
		5631.08	5411.51
	TOTAL ASSETS	12886.89	12448.56
	EQUITY AND LIABILITIES		
	Equity		
(a)	Equity Share Capital	49.25	49.25
(b)	Other Equity	3714.54	3346.91
	Equity Attributable to Owners of the Parent	3763.79	3396.16
(c)	Non-controlling Interest	110.92	99.72
		3874.71	3495.88
	Liabilities		
(1)	Non-current Liabilities		
(a)	Financial Liabilities		
	- Borrowings	2242.54	2360.36
	- Lease Liabilities	63.11	55.26
	- Other Financial Liabilities	837.80	746.04
(b)	Provisions	115.14	99.57
(c)	Deferred Tax Liabilities (Net)	514.66	430.58
		3773.25	3691.81
(2)	Current Liabilities		
(a)	Financial Liabilities		
	- Borrowings	2097.78	2423.18
	- Lease Liabilities	38.18	43.55
	- Trade Payables		
	Micro & Small Enterprises	20.03	48.19
	Others	2034.34	1771.44
	- Other Financial Liabilities	579.85	459.44
(b)	Other Current Liabilities	428.42	400.87
(c)	Provisions	31.65	52.66
(d)	Current Tax Liabilities (Net)	8.68	61.54
		5238.93	5260.87
	TOTAL EQUITY AND LIABILITIES	12886.89	12448.56





JK TYRE & INDUSTRIES LTD.

Information about Operating Segments:

(₹ in Crores)

PARTICULARS	Consolidated Financial Results					
	Quarter Ended			Half Year Ended		Year Ended
	30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. SEGMENT REVENUE						
India	3345.23	3165.45	3149.53	6510.68	6208.10	12375.95
Mexico	711.66	683.29	720.98	1394.95	1394.23	2672.69
Others	0.00	0.00	0.00	0.00	0.00	0.72
Total Segment Revenue	4056.89	3848.74	3870.51	7905.63	7602.33	15049.36
Inter-segment Sales	(159.36)	(130.66)	(113.99)	(290.02)	(202.78)	(404.42)
Income from Operations	3897.53	3718.08	3756.52	7615.61	7399.55	14644.94
2. SEGMENT RESULTS						
Profit / (Loss) before Finance Costs, Exceptional Items & Tax						
India	449.42	317.18	154.88	766.60	298.91	767.49
Mexico	39.90	42.86	51.52	82.76	98.65	160.80
Others	(0.43)	(0.40)	(0.35)	(0.83)	(0.76)	(1.02)
Total	488.89	359.64	206.05	848.53	396.80	927.27
Less: Finance Costs	(109.22)	(122.24)	(109.39)	(231.46)	(208.53)	(454.50)
Profit Before Exceptional Items & Tax	379.67	237.40	96.66	617.07	188.27	472.77
Exceptional Items	(2.85)	4.35	(23.10)	1.50	(57.60)	(61.52)
Profit Before Tax	376.82	241.75	73.56	618.57	130.67	411.25
3. CAPITAL EMPLOYED						
(Segment Assets)						
India	11058.87	10730.57	10985.20	11058.87	10985.20	10668.24
Mexico	1765.48	1855.98	1640.61	1765.48	1640.61	1719.65
Others	62.54	60.55	63.48	62.54	63.48	60.67
Total Assets	12886.89	12647.10	12689.29	12886.89	12689.29	12448.56
(Segment Liabilities)						
India	7971.25	7815.33	8698.57	7971.25	8698.57	7882.60
Mexico	1040.14	1147.46	971.26	1040.14	971.26	1068.98
Others	0.79	0.83	0.36	0.79	0.36	1.10
Total Liabilities	9012.18	8963.62	9670.19	9012.18	9670.19	8952.68
CAPITAL EMPLOYED						
(Segment Assets - Segment Liabilities)						
India	3087.62	2915.24	2286.63	3087.62	2286.63	2785.64
Mexico	725.34	708.52	669.35	725.34	669.35	650.67
Others	61.75	59.72	63.12	61.75	63.12	59.57
Total Capital Employed	3874.71	3683.48	3019.10	3874.71	3019.10	3495.88

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JK TYRE & INDUSTRIES LTD.

Notes:

* Standalone financial information of the Company:

(₹ in Crores)

PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
	30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)	31.03.2023 (Audited)
Turnover	2683.51	2462.76	2418.08	5146.27	4757.26	9649.44
Operating Profit (PBIDT)	395.21	282.79	180.77	678.00	357.43	806.33
Profit before Tax	274.90	152.48	47.98	427.38	87.41	270.07
Profit after Tax	179.97	100.15	36.07	280.12	62.74	183.77

Standalone Financial Results for the Quarter and Half year ended 30.09.2023 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 items include foreign exchange loss of ₹ 1.63 crores & gain of ₹ 4.96 crores and VRS Expense of ₹ 1.22 crores & ₹ 3.46 crores for the quarter and half year ended 30.09.2023 respectively.
- * The Competition Commission of India ("CCI") on 2nd February 2022 had 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 had filed an Appeal before the Hon'ble National Company Law Appellate Tribunal against the said CCI Order. The NCLAT, through an order dated 1st December 2022, has disposed of the aforementioned appeal, after taking note of the multiple errors in the said CCI Order dated 31st August 2018, and remanded the matter back to the CCI, to re-examine the matter on merits and also to consider reviewing the penalty (if violation is established) in accordance with the provisions of the Competition Act. CCI has since filed an appeal before Hon'ble Supreme Court of India against NCLAT order dated 1st December 2022. Based on legal advice, the Company continues to believe that it has a strong case, and accordingly, no provision has been made in the accounts. The Company strongly reiterates that there has been no wrongdoing on the part of the Company and reassures all the stakeholders that the Company has never indulged in or was part of any cartel or undertook any anti-competitive practices.
- * 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 meetings held on 1st November, 2023. The auditors of the company have carried out a "Limited Review" of the same.
- * Figures for the previous periods have been regrouped / rearranged, wherever necessary.

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



New Delhi
1st November, 2023

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, Kankrol - 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, 2023

(₹ in Crores)

Sl. No.	Particulars	Half Year Ended	
		30.09.2023 (Unaudited)	30.09.2022 (Unaudited)
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before Tax	618.57	130.67
	Adjustment for:		
	Depreciation and Amortisation Expense	213.85	199.84
	Finance Costs	231.46	208.53
	(Profit) / Loss on Sale of Property, Plant & Equipment	12.34	(0.60)
	Fair Value Changes in Non-current Investments	(2.04)	(0.79)
	Unrealised Foreign Exchange Fluctuation	(23.73)	40.12
	Foreign Currency Translation gain / (loss) on Consolidation	(1.74)	(1.77)
	Interest / Dividend Received	(11.80)	(10.68)
	Allowance for Doubtful Debts / Advances and Bad debts written off	10.00	3.50
	Operating Profit before Working Capital changes	1,046.91	568.82
	(Increase) / Decrease in Trade and Other Receivables	(325.88)	46.99
	(Increase) / Decrease in Inventories	105.37	(167.75)
	Increase / (Decrease) in Trade and Other Payables	360.05	115.12
	Cash generated from Operations	1,186.45	563.18
	Direct Taxes (net)	(121.98)	(145.86)
	Net Cash flow from Operating Activities	1,064.47	417.32
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Property, Plant and Equipment	(366.25)	(228.99)
	Sale of Property, Plant and Equipment	12.04	32.63
	Deposit Accounts with Banks	11.49	(6.50)
	Interest Received	(3.52)	5.54
	Dividend Received	7.33	0.02
	Net Cash used in Investing activities	(338.91)	(197.30)
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds / (Utilisation) from Short-term Borrowings (Net)	(280.31)	211.29
	Proceeds from Long-term Borrowings	115.10	187.06
	Repayment of Long-term Borrowings	(288.27)	(289.96)
	Payment of Lease Liabilities	(16.81)	(13.85)
	Finance Costs paid	(231.88)	(197.98)
	Dividend paid	(49.25)	(36.93)
	Net Cash used in Financing Activities	(751.42)	(140.37)
	Net increase / (decrease) in Cash and Cash Equivalents	(25.86)	79.65
	Cash and Cash Equivalents as at the beginning of the period	173.15	94.05
	Foreign Currency Translation gain / (loss) on Cash and Cash Equivalents	3.33	0.97
	Cash and Cash Equivalents as at the end of the period	150.62	174.67
Notes:	Cash and Cash Equivalents include:		
	- Cash, Cheques on hand and Remittances in transit	0.11	8.43
	- Balances with Banks	147.18	165.27
	- Unrealised Translation gain / (loss) on Foreign Currency balances	3.33	0.97
	Total	150.62	174.67

