

**Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone 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 of  
JK Tyre & Industries Limited**

**Report on the audit of the Standalone Financial Results**

**Opinion**

We have audited the accompanying statement of quarterly and year to date standalone financial results of **JK Tyre & Industries Limited** (the "Company") for the quarter ended March 31, 2024 and the year to date results for the period from April 1, 2023 to March 31, 2024 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other comprehensive income/(loss) and other financial information of the Company for the quarter ended March 31, 2024 as well as year to date results for the period from April 1, 2023 to March 31, 2024.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Results' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statement under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Management's Responsibilities for the Standalone Financial Results**

The Statement have been prepared on the basis of the standalone financial statements. The Company's Board of Directors are responsible for the preparation of the Statement that give a true and fair view of the net profit and other comprehensive income/(loss) and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of

# SS KOTHARI MEHTA & CO. LLP

CHARTERED ACCOUNTANTS

the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.



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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The Statement includes the results for the quarter ended March 31, 2024, being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2024 and the published unaudited year -to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For **SS Kothari Mehta & Co. LLP**

*Chartered Accountants*

ICAI Firm Registration Number: 000756N/N500441



**Vijay Kumar**

*Partner*

Membership Number: 092671

UDIN: 24092671BKFB0Q1912

Place: New Delhi

Date: May 21, 2024

**JK TYRE & INDUSTRIES LTD.**

**Statement of Audited Standalone Financial Results for the Quarter and Year ended 31st March, 2024**

(₹ in Crores)

SL. NO.	PARTICULARS	Quarter Ended			Year Ended	
		31.03.2024 (Audited)	31.12.2023 (Unaudited)	31.03.2023 (Audited)	31.03.2024 (Audited)	31.03.2023 (Audited)
I.	Revenue from Operations	2616.08	2563.70	2392.82	10313.27	9617.92
II.	Other Income	12.93	10.51	11.08	36.22	31.52
III.	<b>Total Income (I+II)</b>	<b>2629.01</b>	<b>2574.21</b>	<b>2403.90</b>	<b>10349.49</b>	<b>9649.44</b>
IV.	<b>Expenses</b>					
	Cost of Materials Consumed	1424.57	1393.66	1257.37	5512.66	5707.01
	Purchases of Stock-in-Trade	258.76	250.90	288.13	997.03	1074.34
	(Increase) / Decrease in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	(43.56)	(35.71)	74.13	25.49	(19.60)
	Employee Benefits Expense	210.81	216.45	193.65	836.20	707.54
	Finance Costs	58.82	56.38	72.92	241.55	257.51
	Depreciation and Amortisation Expense	65.25	63.09	62.71	252.45	242.58
	Other Expenses	432.64	375.48	359.42	1580.89	1373.82
	<b>Total Expenses</b>	<b>2407.29</b>	<b>2320.25</b>	<b>2308.33</b>	<b>9446.27</b>	<b>9343.20</b>
V.	<b>Operating Profit (PBITD)</b>	<b>345.79</b>	<b>373.43</b>	<b>231.20</b>	<b>1397.22</b>	<b>806.33</b>
VI.	<b>Profit / (Loss) before Exceptional Items and Tax (III-IV)</b>	<b>221.72</b>	<b>253.96</b>	<b>95.57</b>	<b>903.22</b>	<b>306.24</b>
VII.	Exceptional Items	(17.37)	(3.72)	2.63	(21.25)	(36.17)
VIII.	<b>Profit / (Loss) before Tax (VI+VII)</b>	<b>204.35</b>	<b>250.24</b>	<b>98.20</b>	<b>881.97</b>	<b>270.07</b>
IX.	Tax Expense					
	(1) Current Tax	47.90	84.14	11.75	278.96	72.41
	(2) Deferred Tax	10.16	1.75	19.13	12.25	13.89
X.	<b>Profit / (Loss) for the Period (PAT) (VIII-IX)</b>	<b>146.29</b>	<b>164.35</b>	<b>67.32</b>	<b>590.76</b>	<b>183.77</b>
XI.	<b>Other Comprehensive Income</b>					
	Items that will not be Reclassified to Profit or Loss:					
	- Re-measurement Losses on Defined Benefit Plans	11.81	(4.05)	(5.41)	(0.34)	(15.76)
	- Income Tax Relating to Items that will not be Reclassified to Profit or Loss	(4.13)	1.42	1.89	0.12	5.51
	<b>Total Other Comprehensive Income</b>	<b>7.68</b>	<b>(2.63)</b>	<b>(3.52)</b>	<b>(0.22)</b>	<b>(10.25)</b>
XII.	<b>Total Comprehensive Income for the Period (X+XI)</b>	<b>153.97</b>	<b>161.72</b>	<b>63.80</b>	<b>590.54</b>	<b>173.52</b>
XIII.	Paid-Up Equity Share Capital (Face Value: ₹2 per share)	52.14	52.14	49.25	52.14	49.25
XIV.	Other Equity excluding Revaluation Reserve				3843.89	2839.97
XV.	Earnings per equity share of ₹2 each					
	- Basic (₹)	5.34	6.30	2.71	22.42	7.45
	- Diluted (₹)	5.32	6.28	2.71	22.36	7.45

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**JK TYRE & INDUSTRIES LTD.**  
**STATEMENT OF ASSETS AND LIABILITIES**

(₹ in Crores)

Sl. No.	Particulars	As at	As at
		31.03.2024	31.03.2023
		(Audited)	(Audited)
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current Assets</b>		
(a)	Property, Plant and Equipment	3560.20	3362.08
(b)	Capital work-in-progress	316.92	100.44
(c)	Investment Property	5.41	5.53
(d)	Other Intangible Assets	12.02	7.04
(e)	Intangible Assets under development	1.17	4.36
(f)	Financial Assets		
	- Investments	783.22	786.67
	- Other Financial Assets	81.74	48.65
(g)	Other Non-Current Assets	27.11	48.28
		<b>4787.79</b>	<b>4363.05</b>
<b>2</b>	<b>Current Assets</b>		
(a)	Inventories	1396.54	1291.67
(b)	Financial Assets		
	- Investments	11.23	11.17
	- Trade Receivables	2169.88	1774.20
	- Cash and Cash Equivalents	64.64	50.23
	- Other Bank Balances	527.19	28.54
	- Other Financial Assets	115.74	138.71
(c)	Current Tax Assets (Net)	51.01	27.07
(d)	Other Current Assets	428.60	321.38
		<b>4764.83</b>	<b>3642.97</b>
	<b>TOTAL ASSETS</b>	<b>9552.62</b>	<b>8006.02</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>EQUITY</b>		
(a)	Equity Share Capital	52.14	49.25
(b)	Other Equity	3843.89	2839.97
		<b>3896.03</b>	<b>2889.22</b>
	<b>LIABILITIES</b>		
<b>1</b>	<b>Non-current Liabilities</b>		
(a)	Financial Liabilities		
	- Borrowings	834.83	849.03
	- Lease Liabilities	87.78	47.04
	- Other Financial Liabilities	666.88	593.74
(b)	Provisions	35.73	32.99
(c)	Deferred Tax Liabilities (Net)	500.68	369.77
		<b>2125.90</b>	<b>1892.57</b>
<b>2</b>	<b>Current Liabilities</b>		
(a)	Financial Liabilities		
	- Borrowings	1,521.32	1,698.28
	- Lease Liabilities	34.13	40.34
	- Trade Payables		
	Micro and Small Enterprises	41.62	40.77
	Others	1294.35	996.09
	- Other Financial Liabilities	401.82	278.20
(b)	Other Current Liabilities	230.32	159.79
(c)	Provisions	7.13	10.76
		<b>3530.69</b>	<b>3224.23</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>9552.62</b>	<b>8006.02</b>

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## JK TYRE & INDUSTRIES LTD.

### Notes:

- \* The Board has recommended a dividend of ₹ 4.50 per equity share (including interim dividend of ₹ 1.00 per equity share already paid) i.e. 225% for the financial year ended 31st March, 2024.
- \* The Company has only one operating segment namely, 'Tyre'.
- \* Statement of cash flow is attached in Annexure-I.
- \* During the year, the Company has allotted 1,44,92,749 equity shares of face value of ₹ 2 each to eligible qualified institutional buyers at the issue price of ₹345 per Equity Share (premium of ₹343 per Equity Share) aggregating to ₹ 500 crores. Pursuant to the allotment of such Equity shares, the paid-up equity share capital of the Company stands increased from ₹49.25 crores to ₹52.14 crores consisting of 26,07,23,629 Equity Shares.
- \* 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.
- \* The Ministry of Environment, Forest and Climate Change vide Notification dated 21st July 2022, notified Regulations on Extended Producer Responsibility (EPR) for waste tyre. Under the said Regulations, the Company is required to meet specified waste recycling targets (levy) from the financial year ended March 31, 2023 onwards. The obligations are to be fulfilled by purchasing certificates from the recyclers who are registered with the Central Pollution Control Board. The Calculation of the levy is based on the domestic revenue, generated in FY 20-21 (used for computing obligation in FY 22-23) and in FY 21-22 (used for computing obligation in FY 23-24). Consequently, the Company is required to recognize a liability with respect to the levy as at the end of the current financial year. Due to lack of necessary mechanism / infrastructure for the fulfilment of aforesaid obligation in the earlier year, the Company has recognized the provision for the financial year ended March 31, 2023, amounting to ₹ 21.62 crores in the year ended March 31, 2024 (which has been disclosed as an exceptional item). The provision taken for FY 23-24 is ₹ 52.60 crores (which has been disclosed as part of other expenses).
- \* Exceptional items also include favourable foreign exchange fluctuation of ₹ 5.19 crores & ₹ 5.53 crores and VRS ₹ 0.94 crore & ₹ 5.16 crores for the quarter and year ended 31.03.2024 respectively.
- \* The figures of current and corresponding quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current / corresponding financial year.
- \* The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 21st May, 2024. The auditors of the company have carried out the audit of the same.
- \* Figures for the previous periods have been regrouped / rearranged, wherever necessary.

### JK Tyre adjudged 'Best in Class' ESG rating from CareEdge for the second consecutive year

New Delhi  
21st May, 2024

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, Kankrola - 313 342, Rajasthan, Website: www.jktyre.com, Corporate Identity Number : L67120RJ1951PLC045986



**JK Tyres & Industries Limited**

Annexure-I

**Cash Flow Statement** for the year ended 31st March, 2024

(₹ in Crores)

Sl. No.	Particulars	Year Ended	
		31.03.2024 (Audited)	31.03.2023 (Audited)
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	Net Profit before Tax	881.97	270.07
	Adjustment for:		
	Depreciation and Amortisation expense	252.45	242.58
	Finance Costs	241.55	257.51
	(Profit) / Loss on sale of Property, Plant and Equipment (Net)	13.33	(5.83)
	Provision for Diminution of Investment	-	1.50
	Fair Value Changes in Non-Current Investments	(3.01)	(3.09)
	Unrealised Foreign Exchange Fluctuation	(26.37)	19.29
	Interest / Dividend Received	(25.38)	(17.12)
	Allowance for Doubtful Debts / Advances and Bad Debts written off	23.00	7.50
	Operating Profit before Working Capital changes	<b>1,357.54</b>	<b>772.41</b>
	(Increase) / Decrease in Trade and Other Receivables	(526.34)	(8.45)
	(Increase) / Decrease in Inventories	(104.87)	241.17
	Increase / (Decrease) in Trade and Other Payables	555.83	(281.61)
	Cash generated from Operations	1282.16	723.52
	Direct Taxes (Net)	(184.12)	(46.67)
	Net Cash from Operating Activities	<b>1098.04</b>	<b>676.85</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
	Purchase of Property, Plant and Equipment	(567.23)	(307.68)
	Sale of Property, Plant and Equipment	29.61	39.06
	Purchase of Investments	(1.02)	-
	Redemption of Investments	11.49	-
	Deposit Accounts with Banks	(493.95)	(10.63)
	Interest Received	11.35	10.63
	Dividend Received	0.41	0.48
	Net Cash used in Investing Activities	<b>(1,009.34)</b>	<b>(268.14)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
	Issue of Share Capital (Net of Expenses)	491.59	-
	Proceeds/ (Utilisation) from Short-term Borrowings (Net)	(127.87)	(59.84)
	Proceeds from Long-term Borrowings	174.34	108.17
	Repayment of Long-term Borrowings	(240.87)	(370.61)
	Issue of Compulsorily Convertible Debentures (Net of Expenses)	-	239.26
	Payment of Lease Liabilities	(46.02)	(40.46)
	Finance Costs paid	(250.14)	(251.23)
	Dividend paid	(75.32)	(36.93)
	Net Cash from / (used in) Financing Activities	<b>(74.29)</b>	<b>(411.64)</b>
	Net increase / (decrease) in Cash and Cash Equivalents	14.41	(2.93)
	Cash and Cash Equivalents as at the beginning of the year	50.23	53.16
	Cash and Cash Equivalents as at the end of the year	<b>64.64</b>	<b>50.23</b>
<b>Notes:</b>			
1.	Cash and Cash Equivalents Include:		
	- Cash, Cheques on hand and Remittances in transit	20.74	18.61
	- Balances with Banks	43.90	31.62
	<b>Total</b>	<b>64.64</b>	<b>50.23</b>



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