

INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT ON UNAUDITED STANDALONE FINANCIAL RESULTS OF JK TYRE & INDUSTRIES LIMITED FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019.

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

We have reviewed the accompanying statement of unaudited standalone financial results of **JK Tyre & Industries Limited** ("the Company") for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 ("the Statement"), being submitted by the Company pursuant to requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended.

This statement is the responsibility of the Company's management and has been approved by the Board of Directors. The preparation of the statement is in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34, "Interim Financial Reporting", 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 issue a report on the Statement based on our review.

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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the applicable Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, and other recognized accounting practices and policies 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.

For **S S Kothari Mehta & Company**

Chartered Accountants

Firm Reg. no. - 0007560N


Harish Gupta

Partner

Membership No. - 098336

UDIN No. 19098336AAAA C43115



Place: New Delhi

Date: October 30, 2019

JK TYRE & INDUSTRIES LTD.

Statement of Unaudited Standalone Financial Results for the Quarter and Half Year ended 30th September, 2019

(₹ in Crores)

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
I.	Revenue from Operations	1377.81	1804.18	1943.12	3181.99	3830.44	7613.35
II.	Other Income	5.78	5.22	53.41	11.00	59.41	76.32
III.	Total Income (I+II)	1383.59	1809.40	1996.53	3192.99	3889.85	7689.67
IV.	Expenses						
	Cost of Materials Consumed	766.21	878.92	1096.57	1645.13	2080.12	4071.30
	Purchases of Stock-in-trade	66.29	288.35	289.90	354.64	611.87	1273.24
	(Increase) / Decrease in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	(37.44)	74.31	(72.28)	36.87	(139.98)	(180.24)
	Employee Benefits Expense	127.95	138.02	148.34	265.97	288.45	560.36
	Finance Costs	87.96	84.90	77.35	172.86	150.51	316.28
	Depreciation and Amortisation Expense	57.74	57.95	47.63	115.69	94.57	188.36
	Other Expenses	256.80	269.31	287.33	526.11	577.58	1157.49
	Total Expenses	1325.51	1791.76	1874.84	3117.27	3663.12	7386.79
V.	Profit / (Loss) before Exceptional Items and Tax (III-IV)	58.08	17.64	121.69	75.72	226.73	302.88
VI.	Exceptional Items	(5.95)	2.79	(8.80)	(3.16)	(12.20)	1.80
VII.	Profit / (Loss) before Tax (V+VI)	52.13	20.43	112.89	72.56	214.53	304.68
VIII.	Tax Expense						
	(1) Current Tax	13.96	4.20	24.67	18.16	46.63	63.69
	(2) Mat Credit Entitlement	1.12	(1.12)	0.99	-	(9.12)	(21.15)
	(3) Deferred Tax	(159.96)	0.02	10.72	(159.94)	32.87	57.74
IX.	Profit / (Loss) for the Period (PAT) (VII-VIII)	197.01	17.33	76.51	214.34	144.15	204.40
X.	Other Comprehensive Income						
	Items that will not be Reclassified to Profit or Loss:						
	- Re-measurement Losses on Defined Benefit Plans	(5.20)	(2.70)	(0.15)	(7.90)	(1.65)	(15.79)
	- Income Tax Relating to Items that will not be Reclassified to Profit or Loss	1.05	0.94	0.06	1.99	0.58	5.52
	Total Other Comprehensive Income	(4.15)	(1.76)	(0.09)	(5.91)	(1.07)	(10.27)
XI.	Total Comprehensive Income for the Period (IX+X)	192.86	15.57	76.42	208.43	143.08	194.13
XII.	Paid-Up Equity Share Capital (Face Value: ₹2 per share)	49.24	49.24	45.36	49.24	45.36	49.24
XIII.	Other Equity excluding Revaluation Reserve						1945.88
XIV.	Earnings per equity share of ₹2 each - Basic / Diluted (₹)	8.00	0.70	3.37	8.70	6.36	9.01

For kind attention of shareholders:- As a part of Green Initiative of Government, the shareholders are requested to get their e-mail addresses registered by writing a letter to the Company giving their email-id, folio no. etc., so that Annual Report and other documents can be sent through e-mail.



[Handwritten Signature]

JK TYRE & INDUSTRIES LTD.
STATEMENT OF ASSETS AND LIABILITIES

(₹ in Crores)

Sl. No.	Particulars	As at	As at
		30.09.2019	31.03.2019
		(Unaudited)	(Audited)
	ASSETS		
(1)	Non-current Assets		
(a)	Property, Plant and Equipment	3,452.73	3,320.46
(b)	Capital work-in-progress	103.12	73.80
(c)	Investment Property	5.88	5.93
(d)	Other Intangible Assets	3.74	3.93
(e)	Financial Assets		
	- Investments	639.44	596.61
	- Loans	47.42	47.99
	- Other Financial Assets	76.93	80.62
(f)	Other Non-Current Assets	29.97	35.41
		4,359.23	4,164.75
(2)	Current Assets		
(a)	Inventories	965.72	1,136.12
(b)	Financial Assets		
	- Trade Receivables	1,388.83	1,632.45
	- Cash and Cash Equivalents	64.26	75.84
	- Other Bank Balances	24.15	24.46
	- Loans	13.50	-
	- Other Financial Assets	147.97	140.85
(c)	Current Tax Assets (Net)	4.58	11.43
(d)	Other Current Assets	373.76	219.48
		2,982.77	3,240.63
	TOTAL ASSETS	7,342.00	7,405.38
	EQUITY AND LIABILITIES		
	EQUITY		
(a)	Equity Share Capital	49.24	49.24
(b)	Other Equity	2,109.79	1,945.88
		2,159.03	1,995.12
	LIABILITIES		
(1)	Non-current Liabilities		
(a)	Financial Liabilities		
	- Borrowings	1,426.59	1,558.22
	- Other Financial Liabilities	464.62	314.36
(b)	Provisions	28.16	26.66
(c)	Deferred Tax Liabilities (Net)	242.98	404.91
		2,162.35	2,304.15
(2)	Current Liabilities		
(a)	Financial Liabilities		
	- Borrowings	1,568.75	1,451.85
	- Trade Payables		
	Micro and Small Enterprises	12.40	15.50
	Others	755.15	963.60
	- Other Financial Liabilities	552.77	527.92
(b)	Other Current Liabilities	123.61	139.55
(c)	Provisions	7.94	7.69
		3,020.62	3,106.11
	TOTAL EQUITY AND LIABILITIES	7,342.00	7,405.38



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JK TYRE & INDUSTRIES LTD.

Notes:

- * The Company has only one operating segment namely, 'Tyre'.
- * The Company has adopted Ind AS-116 'Leases' effective 1st April, 2019. This has resulted in recognising a Right-of-Use Asset and a corresponding Lease Liability. The impact on the profit for the quarter and Half year is not material.
- * In view of reduction in Corporate Tax Rate to 22% (effective 25.17% including Surcharge & Education Cess) as per Taxation Laws (Amendment) Ordinance, 2019 issued on 20th September, 2019 and based upon expert opinion, the Company has re-assessed Deferred Tax Liability @25.17% (as against 34.94% earlier). Accordingly, reversal of Provision for Deferred Tax Liability of ₹ 158.04 crs. has been done during current quarter of Financial Year 2019-20.
- * Statement of cash flow is attached in Annexure - I.
- * For the quarter, exceptional items include favourable foreign exchange fluctuation ₹ 0.34 crore and VRS ₹ 6.29 crores.
- * The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30th October, 2019. 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.

New Delhi
30th October, 2019

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: 91-11-33001112, 33001122

Regd. Off.: Jaykaygram, PO- Tyre Factory, Kankroli - 313 342, Rajasthan, Website: www.jktyre.com, Corporate Identity Number : L67120RJ1951PLC045966



JK TYRE & INDUSTRIES LTD.
Annexure-I
Cash Flow Statement for the half year ended 30th September, 2019

(₹ in Crores)

Sl. No.	Particulars	Half Year Ended	Year Ended
		30.09.2019 (Unaudited)	31.03.2019 (Audited)
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before Tax	72.56	304.68
	Adjustment for:		
	Depreciation and Amortisation expense	115.69	188.36
	Finance Costs	172.86	316.28
	(Profit) / Loss on sale of Property, Plant and Equipment	0.01	(48.19)
	Fair Value Changes in Non-Current Investments	0.29	(0.29)
	Provision for earlier years written back	-	(0.05)
	Unrealised Foreign Exchange Fluctuation	(5.94)	12.54
	Interest / Dividend Received	(11.00)	(27.79)
	Allowance for Doubtful Debts / Advances and Bad Debts written off	0.50	1.50
	Operating Profit before Working Capital changes	344.97	747.04
	(Increase) / Decrease in Trade and Other Receivables	95.03	(306.62)
	(Increase) / Decrease in Inventories	170.40	(110.11)
	Increase / (Decrease) in Trade and Other Payables	(250.00)	(4.26)
	Cash generated from Operations	360.40	326.05
	Direct Taxes (Net)	(11.31)	(64.36)
	Net Cash from Operating Activities	349.09	261.69
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Property, Plant and Equipment	(73.88)	(132.50)
	Sale of Property, Plant and Equipment	4.77	303.07
	Movement in Loans & Advances	(9.57)	(5.62)
	Investment in Subsidiary	(40.00)	(47.40)
	Redemption of Investments	-	1.06
	Deposit Accounts with Banks	0.41	(11.75)
	Interest Received	8.95	22.91
	Dividend Received	-	0.72
	Net Cash used in Investing Activities	(109.32)	130.49
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Issue of Share Capital (Net of Expenses)	-	197.71
	Proceeds/ (Utilisation) from Short-term Borrowings (Net)	116.82	(70.18)
	Proceeds from Long-term Borrowings	14.43	830.44
	Repayment of Borrowings	(144.09)	(982.32)
	Payment of Lease Liabilities	(21.44)	-
	Finance Costs paid	(172.55)	(310.78)
	Dividend paid (including dividend tax)	(44.52)	(41.01)
	Net Cash from / (used in) Financing Activities	(251.35)	(376.14)
	Net increase / (decrease) in Cash and Cash Equivalents	(11.58)	16.04
	Cash and Cash Equivalents as at the beginning of the year	75.84	59.80
	Cash and Cash Equivalents as at the end of the year	64.26	75.84
Notes:	Cash and Cash Equivalents Include:		
	- Cash, Cheques on hand and Remittances in transit	38.79	57.35
	- Balances with Banks	25.47	18.49
	Total	64.26	75.84

