

LIMITED REVIEW REPORT ON UNAUDITED CONSOLIDATED FINANCIAL RESULTS OF JK TYRE & INDUSTRIES LIMITED FOR THE QUARTER ENDED JUNE 30, 2018

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

1. We have reviewed the accompanying statement of unaudited consolidated financial results (the 'Statement') of JK Tyre & Industries Limited (the 'Company') and its subsidiaries (the Company and its subsidiaries constitute 'the Group'), and its share of the profit/ (loss) of its associates for the quarter ended June 30, 2018, along with notes, being submitted by the Group pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations, 2015") read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

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.

2. We conducted our review 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 Statement is 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.
3. The Statements includes the results of the following entities:

(a) **Subsidiaries:**

3DInnovations Pvt. Ltd. (formerly Natext Biosciences Private Limited)
J.K. International Ltd.
J.K. Asia Pacific Ltd. (JKAPL)
J.K. Asia Pacific (S) Pte. Ltd. (JKAPPL-Subs of JKAPL)
Cavendish Industries Ltd.
Lankros Holdings Ltd. (LANKROS)
Sarvi Holdings Switzerland AG. (SARVI-Subs. of LANKROS)
J.K Tornel, S.A. de C.V. (JKTSA-Subs. 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 Ltd.
Western Tire Holdings, Inc. (Associate of CHT)

4. (a) We did not review the statement of unaudited financial results of 9 subsidiaries and 1 associate (including 8 step down subsidiaries and 1 associate incorporated outside India), whose unaudited financial results reflect total revenue of Rs. 1,112.63 crore, total profit/(loss) after tax of Rs. 3.94 crore and total comprehensive income of Rs. 3.55 crore for the quarter ended June 30, 2018. The unaudited consolidated financial results also include the company's share of net profit/(loss) of Rs. (0.07) crore for the quarter ended June 30, 2018 as considered in the consolidated financial results, in respect of 1 associate. These financial results have been reviewed by other auditors whose reports have been furnished to us by the management and our report on unaudited consolidated financial results, 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. Our review report is not modified in respect of this matter.

(b) We have relied on the management certified financial statements of 6 subsidiaries, which were not reviewed by us, whose financial results reflect total revenue of Rs. 0.90 crore, total profit/ (loss) after tax of Rs. (0.24) Crore and total comprehensive income of Rs. (0.24) crore for the quarter ended June 30, 2018, as considered in the unaudited consolidated financial results for the quarter ended June 30, 2018. The unaudited consolidated financial results also include the company's share of net profit/(loss) of Rs. (3.06) Crore for the quarter ended June 30, 2018, as considered in the consolidated financial results, in respect of 2 associates. This Financial results/ Financial information have not been reviewed by their auditors and have been furnished to us by the management and our opinion on the consolidated results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries/ associates is based solely on such management certified financial results/ financial information. Our review report is not modified in respect of this matter.

5. Based on our review conducted as above, and upon consideration of the review report of the other auditor's, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respect in accordance with recognition and measurement principles laid down in the applicable Ind-AS prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **S. S. Kothari Mehta & Co.**
Chartered Accountants
Firm's registration number: 000756N



Harish Gupta
Partner

Membership number: 098336

Place: New Delhi
Date: July 18, 2018

JK TYRE & INDUSTRIES LTD.

Statement of Consolidated Financial Results for the Quarter (Unaudited) ended 30th June, 2018

(₹ in Crores)

Sl. No.	Particulars	Quarter Ended			Year Ended
		30.06.2018 (Unaudited)	31.03.2018 (Audited)	30.06.2017 (Unaudited)	31.03.2018 (Audited)
I.	Revenue from Operations	2439.52	2283.97	1931.80	8397.29
II.	Other Income	6.57	113.14	11.06	146.12
III.	Total Income (I+II)	2446.09	2397.11	1942.86	8543.41
IV.	Expenses				
	Cost of Materials Consumed	1501.42	1420.08	1386.47	5246.65
	Purchases of Stock-in-trade	23.35	32.78	33.13	90.94
	(Increase) / Decrease in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	(62.72)	(94.25)	(200.06)	(87.86)
	Employee Benefits Expense	228.12	215.53	220.86	818.06
	Finance Costs	120.96	115.02	116.77	465.50
	Depreciation and Amortisation Expense	77.38	76.87	71.56	299.45
	Excise Duty on Sales	-	-	125.19	125.19
	Other Expenses	423.86	380.51	367.27	1467.25
	Total Expenses	2312.37	2146.54	2121.19	8425.18
V.	Profit / (Loss) before Exceptional Items and Tax (III-IV)	133.72	250.57	(178.33)	118.23
VI.	Exceptional Items	(23.65)	(0.49)	(0.48)	(11.42)
VII.	Profit / (Loss) before Tax (V+VI)	110.07	250.08	(178.81)	106.81
VIII.	Tax Expense				
	(1) Current Tax	30.42	27.24	0.04	18.64
	(2) Mat Credit Entitlement	(10.11)	(18.44)	-	(18.44)
	(3) Deferred Tax	22.39	81.51	(60.93)	43.69
IX.	Profit / (Loss) after Tax (VII-VIII)	67.37	159.77	(117.92)	62.92
X.	Share in Profit / (Loss) of Associates	(3.13)	(0.90)	0.71	0.40
XI.	Profit / (Loss) for the period (IX+X)	64.24	158.87	(117.21)	63.32
XII.	Profit / (Loss) for the period attributable to:				
	Owners of the Parent	64.13	145.37	(107.73)	66.04
	Non-controlling Interest	0.11	13.50	(9.48)	(2.72)
XIII.	Other Comprehensive Income				
(A)	Items that will not be Reclassified to Profit or Loss				
	Re-measurement losses on Defined Benefit Plans	(2.10)	(0.20)	(3.35)	(12.20)
	Income Tax Relating to Items that will not be Reclassified to Profit or Loss	0.73	(0.08)	1.16	4.08
(B)	Items that will be Reclassified to Profit or Loss				
	Exchange Differences on Translating the Financial Statements of Foreign Operations	2.47	3.57	0.50	(0.57)
	Total Other Comprehensive Income for the period	1.10	3.29	(1.69)	(8.69)
XIV.	Total Comprehensive Income for the period (XI+XIII)	65.34	162.16	(118.90)	54.63
XV.	Other Comprehensive Income for the period attributable to:				
	Owners of the Parent	1.18	3.08	(1.53)	(8.41)
	Non-controlling Interest	(0.08)	0.21	(0.16)	(0.28)
XVI.	Total Comprehensive Income for the period attributable to:				
	Owners of the Parent	65.31	148.45	(109.26)	57.63
	Non-controlling Interest	0.03	13.71	(9.64)	(3.00)
XVII.	Paid-up Equity Share Capital (Face Value: ₹ 2/- per share)	45.36	45.36	45.36	45.36
XVIII.	Other Equity excluding Revaluation Reserve				1915.74
XIX.	Earnings per equity share of ₹ 2 each				
	Basic / Diluted (₹)	2.83	6.41	(4.75)	2.91

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.



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JK TYRE & INDUSTRIES LTD.

Information about Operating Segments:

(₹ in Crores)

PARTICULARS	Consolidated Financial Results			
	Quarter Ended			Year Ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1. SEGMENT REVENUE				
India	2137.09	2014.64	1692.10	7483.87
Mexico	344.62	295.98	284.78	1064.63
Others	0.59	0.57	-	2.20
Total Segment Revenue	2482.30	2311.19	1976.88	8550.70
Inter segment Sales	(42.78)	(27.22)	(45.08)	(153.41)
Income from Operations	2439.52	2283.97	1931.80	8397.29
2. SEGMENT RESULTS				
Profit / (Loss) before Finance Costs, Exceptional Items & Tax				
India	227.25	334.50	(66.12)	490.43
Mexico	27.46	31.28	5.14	93.54
Others	(0.03)	(0.19)	(0.58)	(0.24)
Total	254.68	365.59	(61.56)	583.73
Less: Finance Costs	(120.96)	(115.02)	(116.77)	(465.50)
Profit Before Exceptional Items & Tax	133.72	250.57	(178.33)	118.23
Exceptional Items	(23.65)	(0.49)	(0.48)	(11.42)
Profit Before Tax	110.07	250.08	(178.81)	106.81
3. CAPITAL EMPLOYED				
(Segment Assets)				
India	9634.78	9332.04	9199.31	9332.04
Mexico	1242.28	1170.13	1261.48	1170.13
Others	65.58	65.29	66.47	65.29
Total Assets	10942.64	10567.46	10527.26	10567.46
(Segment Liabilities)				
India	7836.67	7587.20	7487.12	7587.20
Mexico	944.06	875.17	1038.23	875.17
Others	2.08	1.98	3.05	1.98
Total Liabilities	8782.81	8464.35	8528.40	8464.35
CAPITAL EMPLOYED				
(Segment Assets - Segment Liabilities)				
India	1798.11	1744.84	1712.19	1744.84
Mexico	298.22	294.96	223.25	294.96
Others	63.50	63.31	63.42	63.31
Total Capital Employed	2159.83	2103.11	1998.86	2103.11



4

JK TYRE & INDUSTRIES LTD.

Notes:

* Revenue from operations (net) higher by 35% over corresponding quarter.

* Standalone financial information of the Company:

(₹ in Crores)

PARTICULARS	Quarter ended			Year Ended
	30.06.2018 (Unaudited)	31.03.2018 (Audited)	30.06.2017 (Unaudited)	31.03.2018 (Audited)
Turnover	1893.32	1809.79	1321.14	6485.80
Operating Profit (PBIDT)	225.14	229.80	10.03	519.79
Profit before Tax	101.64	117.41	(101.62)	63.85
Profit after Tax	67.64	76.60	(65.86)	43.09

Standalone Financial Results for the Quarter ended 30.06.2018 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.

- * In accordance with the requirements of IND AS, for post-GST period till 30th June 2018, 'Revenue from Operations' is net of taxes, while in the quarter ended 30.06.2017, it is inclusive of excise duty. Hence, not comparable.
- * For the quarter, exceptional items include unfavourable foreign exchange fluctuation ₹21.48 crores and VRS ₹2.17 crores.
- * The company operates its business through three operating segments, representing our business on the basis of geographies which are India, Mexico and Others.
- * The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 18th July, 2018. 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.



New Delhi
18th July, 2018

For JK Tyre & Industries Ltd.


Raghupati Singhania
Chairman & Managing Director

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