

**INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT ON UNAUDITED CONSOLIDATED FINANCIAL RESULTS OF JK TYRE & INDUSTRIES LIMITED FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019.**

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

1. We have reviewed the accompanying statement of consolidated unaudited financial results of **JK Tyre & Industries Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries referred to as "the Group"), and its share of the profit after tax and total comprehensive income of its associates for the quarter ended December 31, 2019 and for the period April 1, 2019 to December 31, 2019 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This statement, which is the responsibility of the Parent's management and approved by the Parent'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 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)  
Treal Mobility Solutions Pvt. Ltd. (w.e.f. December 31, 2019)

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. (a) We did not review the financial results of 9 subsidiaries (including 8 step down subsidiaries incorporated outside India) included in the consolidated unaudited financial results, whose unaudited financial results reflects total revenue of Rs.1,085.05 Crores and Rs. 3,305.84 Crores, total net loss after tax of Rs.9.96 Crores and Rs.37.52 Crores, total comprehensive loss of Rs.12.87 Crores and Rs.41.33 Crores, for the quarter ended December 31, 2019 and for the period from April 1, 2019 to December 31, 2019 respectively, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also include the Group's share of net loss of Rs.0.09 Crore and Rs.0.25 Crore and total comprehensive loss of Rs.0.09 Crore and Rs.0.25 Crore for the quarter ended December 31, 2019 and for the period from April 1, 2019 to December 31, 2019 respectively as considered in the consolidated unaudited financial results, in respect of 1 associate 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.

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



**SS KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

(b) The Statement also includes the financial results of 6 subsidiaries which have not been reviewed by their auditors, total revenue of Rs.1.38 Crore and Rs.2.32 Crore, total net loss after tax of Rs. 0.15 Crore and Rs.0.79 Crores and total comprehensive loss of Rs.0.15 Crore and Rs.0.79 Crore for the quarter ended December 31, 2019, and for the period from April 1, 2019 to December 31, 2019 respectively as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also include the Group's share of net loss of Rs.1.29 Crore and Rs.1.62 Crore and total comprehensive loss of Rs.1.29 Crore and Rs.1.62 Crore for the quarter ended December 31, 2019, and for the period from April 1, 2019 to December 31, 2019 respectively, as considered in the consolidated unaudited 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. - 0007561

  


Harish Gupta

Partner

Membership No. - 098336

UDIN No. 20098336 AAAAA12553

Place: New Delhi

Date: January 30, 2020

# JK TYRE & INDUSTRIES LTD.

## Statement of Unaudited Consolidated Financial Results for the Quarter and Nine months ended 31st December, 2019

Sl. No.	Particulars	(₹ in Crores)					
		Quarter Ended			Nine Months Ended		Year Ended
		31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
I.	Revenue from Operations	2199.80	2154.95	2730.77	6930.14	7664.05	10369.94
II.	Other Income	7.27	6.71	10.96	20.06	72.01	82.07
III.	<b>Total Income (I+II)</b>	<b>2207.07</b>	<b>2161.66</b>	<b>2741.73</b>	<b>6950.20</b>	<b>7736.06</b>	<b>10452.01</b>
IV.	<b>Expenses</b>						
	Cost of Materials Consumed						
	Purchases of Stock-in-trade	1241.85	1276.11	1669.50	3943.48	4866.12	6302.94
	(Increase) / Decrease in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	33.13	29.03	276.36	226.58	324.89	676.56
	Employee Benefits Expense	71.99	(54.47)	(116.67)	141.60	(327.52)	(294.90)
	Finance Costs	237.73	220.49	225.69	689.17	696.99	909.62
	Depreciation and Amortisation Expense	136.12	139.57	131.03	414.23	379.61	521.08
	Other Expenses	92.81	91.60	79.63	275.58	236.08	315.67
	<b>Total Expenses</b>	<b>2184.57</b>	<b>2089.75</b>	<b>2676.28</b>	<b>6839.81</b>	<b>7426.69</b>	<b>10092.60</b>
V.	<b>Profit / (Loss) before Exceptional Items and Tax (III-IV)</b>	<b>22.50</b>	<b>71.91</b>	<b>65.45</b>	<b>110.39</b>	<b>309.37</b>	<b>359.41</b>
VI.	Exceptional Items	0.81	(50.28)	(20.45)	(44.76)	(86.07)	(88.95)
VII.	<b>Profit / (Loss) before Tax (V+VI)</b>	<b>23.31</b>	<b>21.63</b>	<b>45.00</b>	<b>65.63</b>	<b>223.30</b>	<b>270.46</b>
VIII.	Tax Expense						
	(1) Current Tax	14.87	17.79	15.18	41.82	71.41	59.44
	(2) Mat Credit Entitlement	-	1.12	(4.61)	-	(13.73)	(21.15)
	(3) Deferred Tax	(3.21)	(165.91)	9.69	(172.15)	25.21	55.88
IX.	<b>Profit / (Loss) after Tax (VII-VIII)</b>	<b>11.65</b>	<b>168.63</b>	<b>24.74</b>	<b>195.96</b>	<b>140.41</b>	<b>176.29</b>
X.	Share in Profit / (Loss) of Associates	(1.38)	(0.93)	2.15	(1.87)	(3.50)	(5.72)
XI.	<b>Profit / (Loss) for the period (IX+X)</b>	<b>10.27</b>	<b>167.70</b>	<b>26.89</b>	<b>194.09</b>	<b>136.91</b>	<b>170.57</b>
XII.	<b>Profit / (Loss) for the period attributable to:</b>						
	Owners of the Parent	10.95	170.10	26.68	197.96	142.76	176.34
	Non-controlling Interest	(0.68)	(2.40)	0.21	(3.87)	(5.85)	(5.77)
XIII.	<b>Other Comprehensive Income</b>						
(A)	Items that will not be Reclassified to Profit or Loss						
	Re-measurement losses on Defined Benefit Plans	(8.07)	(6.48)	(0.52)	(17.35)	(3.37)	(15.64)
	Income Tax Relating to Items that will not be Reclassified to Profit or Loss	2.24	1.50	0.19	4.71	1.19	5.48
(B)	Items that will be Reclassified to Profit or Loss						
	Exchange Differences on Translating the Financial Statements of Foreign Operations	1.77	1.43	(6.02)	3.16	4.00	0.89
	<b>Total Other Comprehensive Income for the period</b>	<b>(4.06)</b>	<b>(3.55)</b>	<b>(6.35)</b>	<b>(9.48)</b>	<b>1.82</b>	<b>(9.27)</b>
XIV.	<b>Total Comprehensive Income for the period (XI+XIII)</b>	<b>6.21</b>	<b>164.15</b>	<b>20.54</b>	<b>184.61</b>	<b>138.73</b>	<b>161.30</b>
XV.	<b>Other Comprehensive Income for the period attributable to:</b>						
	Owners of the Parent	(4.05)	(3.39)	(6.28)	(9.30)	2.05	(9.26)
	Non-controlling Interest	(0.01)	(0.16)	(0.07)	(0.18)	(0.23)	(0.01)
XVI.	<b>Total Comprehensive Income for the period attributable to:</b>						
	Owners of the Parent	6.90	166.71	20.40	188.66	144.81	167.08
	Non-controlling Interest	(0.69)	(2.56)	0.14	(4.05)	(6.08)	(5.78)
XVII.	Paid-up Equity Share Capital (Face Value: ₹ 2/- per share)	49.24	49.24	45.36	49.24	45.36	49.24
XVIII.	Other Equity excluding Revaluation Reserve						2235.16
XIX.	Earnings per equity share of ₹ 2 each Basic / Diluted (₹)	0.44	6.91	1.18	8.04	6.29	7.77

**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			Nine Months Ended		Year Ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. SEGMENT REVENUE</b>						
India	1917.10	1837.88	2436.51	6014.36	6775.58	9195.57
Mexico	312.94	339.66	328.20	991.57	995.68	1308.53
Others	0.52	0.47	0.63	1.45	1.70	2.33
<b>Total Segment Revenue</b>	<b>2230.56</b>	<b>2178.01</b>	<b>2765.34</b>	<b>7007.38</b>	<b>7772.96</b>	<b>10506.43</b>
Inter-segment Sales	(30.76)	(23.06)	(34.57)	(77.24)	(108.91)	(136.49)
<b>Income from Operations</b>	<b>2199.80</b>	<b>2154.95</b>	<b>2730.77</b>	<b>6930.14</b>	<b>7664.05</b>	<b>10369.94</b>
<b>2. SEGMENT RESULTS</b>						
<b>Profit / (Loss) before Finance Costs, Exceptional Items &amp; Tax</b>						
India	156.58	194.90	154.18	491.77	620.48	803.03
Mexico	2.16	17.00	42.41	33.58	68.79	77.75
Others	(0.12)	(0.42)	(0.11)	(0.73)	(0.29)	(0.29)
<b>Total</b>	<b>158.62</b>	<b>211.48</b>	<b>196.48</b>	<b>524.62</b>	<b>688.98</b>	<b>880.49</b>
Less: Finance Costs	(136.12)	(139.57)	(131.03)	(414.23)	(379.61)	(521.08)
<b>Profit Before Exceptional Items &amp; Tax</b>	<b>22.50</b>	<b>71.91</b>	<b>65.45</b>	<b>110.39</b>	<b>309.37</b>	<b>359.41</b>
Exceptional Items	0.81	(50.28)	(20.45)	(44.76)	(86.07)	(88.95)
<b>Profit Before Tax</b>	<b>23.31</b>	<b>21.63</b>	<b>45.00</b>	<b>65.63</b>	<b>223.30</b>	<b>270.46</b>
<b>3. CAPITAL EMPLOYED</b>						
(Segment Assets)						
India	9775.94	9907.66	9930.51	9775.94	9930.51	10008.92
Mexico	1548.06	1376.48	1163.36	1548.06	1163.36	1241.29
Others	64.79	65.46	113.40	64.79	113.40	66.20
<b>Total Assets</b>	<b>11388.79</b>	<b>11349.60</b>	<b>11207.27</b>	<b>11388.79</b>	<b>11207.27</b>	<b>11316.41</b>
(Segment Liabilities)						
India	7653.85	7787.12	8132.95	7653.85	8132.95	7962.38
Mexico	1199.54	1045.80	873.62	1199.54	873.62	930.58
Others	2.26	2.17	2.09	2.26	2.09	2.82
<b>Total Liabilities</b>	<b>8855.65</b>	<b>8835.09</b>	<b>9008.66</b>	<b>8855.65</b>	<b>9008.66</b>	<b>8895.78</b>
<b>CAPITAL EMPLOYED</b>						
(Segment Assets - Segment Liabilities)						
India	2122.09	2120.54	1797.56	2122.09	1797.56	2046.54
Mexico	348.52	330.68	289.74	348.52	289.74	310.71
Others	62.53	63.29	111.31	62.53	111.31	63.38
<b>Total Capital Employed</b>	<b>2533.14</b>	<b>2514.51</b>	<b>2198.61</b>	<b>2533.14</b>	<b>2198.61</b>	<b>2420.63</b>



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# JK TYRE & INDUSTRIES LTD.

**Notes:**

\* Standalone financial information of the Company:

Particulars	(₹ in Crores)					
	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
Turnover	1567.64	1383.59	1931.53	4760.63	5821.38	7689.67
Operating Profit (PBIDT)	170.06	203.78	163.98	534.33	635.79	807.52
Profit before Tax	28.54	52.13	50.09	101.10	264.62	304.68
Profit after Tax	22.45	197.01	34.41	236.79	178.56	204.40

Standalone Financial Results for the Quarter and Nine Months ended 31.12.2019 can be viewed on websites of the Company, National Stock Exchange of India Ltd. and BSE Ltd. at [www.jktyre.com](http://www.jktyre.com), [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively.

- \* 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 is not material.
- \* For the quarter, exceptional items include favourable foreign exchange fluctuation ₹ 0.88 crore and VRS ₹ 0.07 crore.
- \* 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 30th January, 2020. 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  
30th January, 2020

For JK Tyre & Industries Ltd.

*Raghupati Singhania*  
Raghupati Singhania  
Chairman & Managing Director