

Independent Auditor's Report on quarterly and Year ended Consolidated Financial Results of JK Tyre & Industries Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of
JK Tyre & Industries Limited

1. We have audited the accompanying Consolidated financial results of **JK Tyre & Industries Limited** (herein after referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and associates for the quarter and year ended March 31, 2018 ("the statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The quarterly Consolidated financial results are the derived figures between the audited figures in respect of the year ended March 31, 2018 and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The Consolidated financial results for the quarter and year to date ended March 31, 2018 have been prepared on the basis of the Consolidated financial results for the nine month period ended December 31, 2017, the audited annual Consolidated financial statements as at and for the year ended March 31, 2018, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these Consolidated financial results based on the reviewed Consolidated financial results for the nine-month period ended December 31, 2017 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard, Interim Financial Reporting (Ind AS 34), prescribed under the Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India, our audit of the annual financial statements as at and for the year ended March 31, 2018, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. **Other Matters**
 - (a) We did not audit the financial statements of 14 subsidiaries (including 12 subsidiaries incorporated outside India) included in the Consolidated quarterly financial results and Consolidated year ended results, whose financial statements reflect total assets of Rs. 4,626.66 Crores as at March 31, 2018, total revenue of Rs. 1,013.66 Crores and Rs. 3,353.98 Crores for the quarter and year ended March 31, 2018 respectively, total net profits after tax of Rs. 79.15 Crores and Rs. 14.70 Crores for the quarter and year ended March 31, 2018 respectively and total comprehensive income of Rs. 77.98 Crores and



Rs. 11.08 Crores for the quarter and year ended March 31, 2018 respectively. The Consolidated financial statements also include the group's share of net profit/(loss) of Rs. (0.92) Crore and Rs 0.22 Crore for the quarter and for the year ended March 31, 2018 respectively, as considered in the Consolidated financial statements, in respect of two associates. These year end financial statements and other information have been audited by other auditors, whose reports have been furnished to us, by the management and our opinion on the Consolidated financial statements, in so far as it relates to the amounts and other information included in respect of these subsidiaries and associates, are based solely on the reports of the other auditors.

- (b) We did not audit the financial statements of a foreign subsidiary included in the Consolidated financial statements, whose financial statements reflect total assets of Rs. 0.01 Crore as at March 31, 2018 and total revenue of Rs. Nil for the quarter and year ended March 31, 2018, total profit after tax Rs. Nil for the quarter and year ended March 31, 2018, and total comprehensive income of Rs. Nil for the quarter and year ended March 31, 2018, as considered in the Consolidated financial statements. These financial statements and other financial information are unaudited (exempted under UK Laws) and have been furnished to us by the Management and our opinion on the Consolidated financial statements, to the extent they have been derived from such financials statements is based solely on the certificate furnished by the management.
- (c) The Consolidated financial statements include the Group's share of net profit of Rs. 0.02 Crore and Rs. 0.18 Crore for the quarter and year ended March 31, 2018 respectively, as considered in the Consolidated financial statements, in respect of an associate whose financial statements have not been audited by us. These financial statements and other financial information are unaudited and have been furnished to us by the management and our opinion on the financial statements, to the extent they have been derived from such financial statements is based solely on the certificate furnished by the management.

Our opinion on the Consolidated financial statements is not modified in respect of the above matters with respect to reliance on the work done and the reports of the other auditors and financial statement certified by the management.

4. Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, these Consolidated quarterly financial results as well as year to date financial results:

(i) **Includes the quarterly financial results and year ended results of the followings entities**

A. Subsidiaries

- a. 3DInnovations Pvt. Ltd. (formerly Natext Biosciences Private Limited (NBPL))
- b. J.K. International Ltd.
- c. J.K. Asia Pacific Ltd.
- d. J.K. Asia Pacific (S) Pte. Ltd. (JKAPPL-Subs of J.K Asia Pacific Ltd.)
- e. Cavendish Industries Ltd. (CIL)
- f. Lankros Holdings Ltd. (LANKROS)
- g. Sarvi Holdings Switzerland AG. (SARVI-Subs. of Lankros Holdings Ltd.)
- h. J.K. Tornel, S.A. de C.V. (JKTSA-Subs. of Sarvi Holdings Switzerland AG.)
- i. Comercializadora America Universal, S.A. DE C.V.*
- j. Compania Hulera Tacuba, S.A de C.V.*
- k. Compania Hulera Tornel, S.A. de C.V. (CHT)*



- l. Compania Inmobiliaria Norida, S.A. de C.V.*
- m. General de Inmuebles Industriales, S.A. de C.V.*
- n. Gintor Administracion, S.A. de C.V.*
- o. Hules Y Procesos Tornel, S.A. de C.V.*

*Subsidiary of JK TSA

B. Associates

- a. Valiant Pacific L.L.C., (VPL) (Associate of JKAPPL)
- b. Dwarkesh Energy Ltd. (DEL)
- c. Western Tire Holdings, Inc. (Associate of CHT) [w.e.f. October 01, 2017]

- (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 in this regard; and
- (iii) give a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information for the quarter and year ended March 31, 2018.

Place: New Delhi
Date: May17, 2018



For **S. S. Kothari Mehta & Co.**
Chartered Accountants
Firm's Registration Number: 000756M

Harish Gupta
Partner

Membership Number: 098336

JK TYRE & INDUSTRIES LTD.

Statement of Audited Consolidated Financial Results for the Quarter and Year ended 31st March, 2018

(₹ in Crores)

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2018 (Audited)	31.12.2017 (Unaudited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)
I.	Revenue from Operations	2283.97	2123.24	2,309.48	8397.29	8,317.85
II.	Other Income	113.14	12.16	46.85	146.12	65.43
III.	Total Income (I+II)	2397.11	2135.40	2,356.33	8543.41	8,383.28
IV.	Expenses					
	Cost of Materials Consumed	1420.08	1271.59	1,251.00	5246.65	4,451.40
	Purchases of Stock-in-trade	32.78	8.86	21.74	90.94	83.90
	(Increase) / Decrease in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	(94.25)	78.45	163.52	(87.86)	(192.24)
	Employee Benefits Expense	215.53	186.79	195.78	818.06	854.30
	Finance Costs	115.02	114.99	113.52	465.50	440.36
	Depreciation and Amortisation Expense	76.87	76.80	72.05	299.45	291.32
	Excise Duty on Sales	-	-	156.99	125.19	628.48
	Other Expenses	380.51	364.65	320.40	1467.25	1,359.60
	Total Expenses	2146.54	2102.13	2,295.00	8425.18	7,917.12
V.	Profit / (Loss) before Exceptional Items and Tax (III-IV)	250.57	33.27	61.33	118.23	466.16
VI.	Exceptional Items	(0.49)	(10.20)	49.92	(11.42)	69.08
VII.	Profit / (Loss) before Tax (V+VI)	250.08	23.07	111.25	106.81	535.24
VIII.	Tax Expense					
	(1) Current Tax	27.24	1.48	34.72	18.64	140.62
	(2) Mat Credit Entitlement	(18.44)	-	(49.61)	(18.44)	(73.87)
	(3) Deferred Tax	81.51	11.62	34.11	43.69	88.67
IX.	Profit / (Loss) after Tax (VII-VIII)	159.77	9.97	92.03	62.92	379.82
X.	Share in Profit / (Loss) of Associates	(0.90)	1.35	(2.55)	0.40	1.24
XI.	Profit / (Loss) for the period (IX+X)	158.87	11.32	89.48	63.32	381.06
XII.	Profit / (Loss) for the period attributable to:					
	Owners of the Parent	145.37	10.97	88.80	66.04	375.40
	Non-controlling Interest	13.50	0.35	0.68	(2.72)	5.66
XIII.	Other Comprehensive Income					
(A)	Items that will not be Reclassified to Profit or Loss					
	Re-measurement losses on Defined Benefit Plans	(0.20)	(3.95)	(13.28)	(12.20)	(24.18)
	Income Tax Relating to Items that will not be Reclassified to Profit or Loss	(0.08)	1.37	4.39	4.08	8.16
(B)	Items that will be Reclassified to Profit or Loss					
	Exchange Differences on Translating the Financial Statements of Foreign Operations	3.57	(7.14)	0.37	(0.57)	0.18
	Total Other Comprehensive Income for the period	3.29	(9.72)	(8.52)	(8.69)	(15.84)
XIV.	Total Comprehensive Income for the period (XI+XIII)	162.16	1.60	80.96	54.63	365.22
XV.	Other Comprehensive Income for the period attributable to:					
	Owners of the Parent	3.08	(9.56)	(7.86)	(8.41)	(15.18)
	Non-controlling Interest	0.21	(0.16)	(0.66)	(0.28)	(0.66)
XVI.	Total Comprehensive Income for the period attributable to:					
	Owners of the Parent	148.45	1.41	80.94	57.63	360.22
	Non-controlling Interest	13.71	0.19	0.02	(3.00)	5.00
XVII.	Paid-up Equity Share Capital (Face Value: ₹ 2/- per share)	45.36	45.36	45.36	45.36	45.36
XVIII.	Other Equity excluding Revaluation Reserve				1915.74	1,919.42
XIX.	Earnings per equity share of ₹ 2 each					
	Basic / Diluted (₹)	6.41	0.48	3.91	2.91	16.55

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.



A

JK TYRE & INDUSTRIES LTD.

Statement of Consolidated Assets and Liabilities

(₹ in Crores)

Sl. No.	Particulars	As at 31.03.2018 (Audited)	As at 31.03.2017 (Audited)
	ASSETS		
(1)	Non-current Assets		
(a)	Property, Plant and Equipment	5874.93	5785.66
(b)	Capital Work-in-progress	308.51	321.22
(c)	Investment Property	6.04	6.14
(d)	Other Intangible Assets	261.46	2.64
(e)	Intangible Assets under Development	-	4.30
(f)	Financial Assets		
	- Investments accounted using Equity Method	61.28	60.91
	- Other Investments	66.94	12.24
	- Loans	49.86	45.53
	- Other Financial Assets	90.70	66.20
(g)	Deferred Tax Assets (Net)	32.62	40.19
(h)	Other Non-current Assets	40.68	32.32
		6793.02	6377.35
(2)	Current Assets		
(a)	Inventories	1448.47	1320.42
(b)	Financial Assets		
	- Trade Receivables	1545.32	1794.64
	- Cash and Cash Equivalents	95.32	260.43
	- Other Bank Balances	35.40	34.87
	- Loans	-	70.00
	- Other Financial Assets	207.65	330.38
(c)	Current Tax Assets (Net)	50.92	15.40
(d)	Other Current Assets	391.36	231.70
		3774.44	4057.84
	TOTAL ASSETS	10567.46	10435.19
	EQUITY AND LIABILITIES		
	EQUITY		
(a)	Equity Share Capital	45.36	45.36
(b)	Other Equity	1915.74	1919.42
	Equity Attributable to Owners of the Parent	1961.10	1964.78
(c)	Non-controlling Interest	142.01	145.01
		2103.11	2109.79
	LIABILITIES		
(1)	Non-current Liabilities		
(a)	Financial Liabilities		
	- Borrowings	3126.45	3570.32
	- Other Financial Liabilities	393.10	372.44
(b)	Provisions	59.60	118.86
(c)	Deferred Tax Liabilities (Net)	413.50	397.22
		3992.65	4458.84
(2)	Current Liabilities		
(a)	Financial Liabilities		
	- Borrowings	1862.20	1805.74
	- Trade Payables	1165.38	1213.74
	- Other Financial Liabilities	1138.55	596.06
(b)	Other Current Liabilities	284.97	215.29
(c)	Provisions	19.74	30.02
(d)	Current Tax Liabilities (Net)	0.86	5.71
		4471.70	3866.56
	TOTAL EQUITY AND LIABILITIES	10567.46	10435.19



A

JK TYRE & INDUSTRIES LTD.

Information about Operating Segments:

(₹ in Crores)

Particulars	Consolidated Financial Results				
	Quarter Ended			Year Ended	
	31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1. SEGMENT REVENUE					
India	2238.60	2075.27	2192.10	8146.94	7778.59
Mexico	295.98	232.04	336.04	1064.63	1214.61
Others	0.57	0.01	0.34	2.20	1.94
Total Segment Revenue	2535.15	2307.32	2528.48	9213.77	8995.14
Inter segment Sales	(251.18)	(184.08)	(219.00)	(816.48)	(677.29)
Income from Operations	2283.97	2123.24	2309.48	8397.29	8317.85
2. SEGMENT RESULTS					
Profit / (Loss) before Finance Costs, Exceptional Items & Tax					
India	334.50	164.98	132.44	490.43	836.01
Mexico	31.28	(16.18)	42.53	93.54	69.95
Others	(0.19)	(0.54)	(0.12)	(0.24)	0.56
Total	365.59	148.26	174.85	583.73	906.52
Less: Finance Costs	(115.02)	(114.99)	(113.52)	(465.50)	(440.36)
Profit Before Exceptional Items & Tax	250.57	33.27	61.33	118.23	466.16
Exceptional Items	(0.49)	(10.20)	49.92	(11.42)	69.08
Profit Before Tax	250.08	23.07	111.25	106.81	535.24
3. CAPITAL EMPLOYED					
(Segment Assets)					
India	9332.04	9571.40	9401.48	9332.04	9401.48
Mexico	1170.13	1044.84	1196.96	1170.13	1196.96
Others	65.29	65.40	66.15	65.29	66.15
Total Assets	10567.46	10681.64	10664.59	10567.46	10664.59
(Segment Liabilities)					
India	7587.20	7999.04	7541.05	7587.20	7541.05
Mexico	875.17	763.04	1010.63	875.17	1010.63
Others	1.98	1.96	3.12	1.98	3.12
Total Liabilities	8464.35	8764.04	8554.80	8464.35	8554.80
CAPITAL EMPLOYED					
(Segment Assets - Segment Liabilities)					
India	1744.84	1572.36	1860.43	1744.84	1860.43
Mexico	294.96	281.80	186.33	294.96	186.33
Others	63.31	63.44	63.03	63.31	63.03
Total Capital Employed	2103.11	1917.60	2109.79	2103.11	2109.79



Handwritten signature

JK TYRE & INDUSTRIES LTD.

Notes:

* The Board has recommended a dividend of ₹ 1.50 per equity share i.e. 75% for the financial year ended 31st March, 2018.

* Standalone financial information of the Company:

(₹ in Crores)

PARTICULARS	Quarter ended			Year Ended	
	31.03.2018 (Audited)	31.12.2017 (Unaudited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)
Turnover	1809.79	1743.59	1678.23	6485.80	6038.78
Operating Profit (PBIDT)	229.80	163.70	132.23	519.79	805.62
Profit before Tax	117.41	45.91	71.90	63.85	459.70
Profit after Tax	76.60	29.29	71.01	43.09	332.13

Standalone Financial Results for the Quarter and year ended 31.03.2018 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 31st March 2018, 'Revenue from Operations' is net of taxes, while in the previous periods ended till 30th June 2017, it is inclusive of Excise Duty. Hence, not comparable.
- * For the quarter, exceptional item represents VRS ₹ 0.49 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 figures of last 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 year.
- * The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 17th May, 2018. The auditors of the company have carried out audit of the same.
- * Figures for the corresponding quarter have been regrouped / rearranged, wherever necessary.



New Delhi
17th May, 2018

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, Kankrol - 313 342, Rajasthan, Website: www.jktyre.com, Corporate Identity Number: L67120RJ1951PLC045966