



JKTIL:SECTL:SE:AGM 2022

Date: 1 AUG 2022

BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. Scrip Code :530007	National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block-G Bandra -Kurla Complex, Bandra(E), Mumbai -400 051. Scrip Code : JKTYRE
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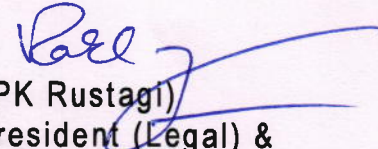
Re: Annual General Meeting and Integrated Annual Report 2021-22

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith Integrated Annual Report of the Company for the Financial Year 2021-22 along with Notice of the 69th Annual General Meeting scheduled to be held on Friday, 26th August 2022 at 11:30 A.M. IST at Kankroli, Rajasthan, which are being dispatched/sent to the members by the permitted modes.

Thanking you,

Yours faithfully,
for JK Tyre & Industries Ltd.


(PK Rustagi)
Vice President (Legal) &
Company Secretary

Encl: As above





3, Bahadur Shah Zafar Marg, New Delhi-110 002

NOTICE

NOTICE is hereby given that the sixty-ninth Annual General Meeting of the Members of JK Tyre & Industries Ltd. will be held at the Registered Office of the Company at Jaykaygram, PO - Tyre Factory, Kankroli - 313 342 (Rajasthan) on Friday, 26th August 2022 at 11.30 A.M. IST to transact the following business:

1. To receive, consider and adopt - a) the audited standalone financial statements of the Company for the financial year ended 31st March, 2022 and the Reports of the Board of Directors and Auditors thereon; and b) the audited consolidated financial statements of the Company for the financial year ended 31st March, 2022 and the Reports of the Auditors thereon.

2. To declare Dividend.

3. To appoint a Director in place of Smt. Sunanda Singhania who retires by rotation and being eligible, offers herself for reappointment.

4. To consider and if thought fit to pass, with or without modification(s), the following as a Special Resolution:

“RESOLVED that pursuant to the provisions of Regulation 17(6) (ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the other relevant provisions as may be applicable and approval of the members of the Company at the Annual General Meeting held on 27th August 2021 for payment of remuneration to Shri Bharat Hari Singhania as a non-executive director of the Company, approval of the members of the Company be and is hereby granted for payment of annual remuneration to Shri Bharat Hari Singhania (Director Identification Number: 00041156), as a non-executive Director of the Company for the financial year ending 31st March 2023, which may exceed fifty percent of the total remuneration payable to all non-executive directors of the Company.

RESOLVED further that the Board of Directors of the Company or a Committee thereof, be and is hereby authorised to do all such acts, deeds and things, as may be deemed necessary to give effect to this resolution and for the matters connected herewith or incidental hereto.”

5. To consider and if thought fit to pass, with or without modification(s), the following as a Special Resolution:

“RESOLVED that pursuant to the provisions of Sections 5, 14 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and rules thereunder including any statutory modification(s) or re-enactment(s) thereof and subject to necessary approval(s), as may be required, from the competent authorities, approval of the Members of the Company be and is hereby accorded for adoption of new Articles of Association, as uploaded on the website of the Company, in substitution of the existing Articles of Association of the Company.

RESOLVED further that the Board of Directors of the Company or a Committee thereof as authorised by the Board and Shri Arun K. Bajoria, Director & President (International) and Shri Pawan Kumar Rustagi, Vice President (Legal) & Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary and/or expedient and to settle any question, difficulty or doubt that may arise in regard thereto, without requiring to seek any further approval of the Members of the Company or

otherwise, including acceptance of any changes as may be suggested by the Registrar of Companies and/or any other competent authority, for the purpose of giving effect to this Resolution.”

6. To consider and if thought fit to pass, with or without modification(s), the following as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, if any, and the Companies (Audit and Auditors) Rules, 2014 or any statutory modification(s) or re-enactment thereof, the Cost Accountants appointed by the Board as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year commencing 1st April 2022, be paid the remuneration of Rs. 2.50 Lakh (Rupees Two Lakh Fifty Thousand Only) per annum, in addition to applicable taxes and reimbursement of actual expenses of travel outside Delhi for the said audit, as recommended by the Audit Committee and approved by the Board of Directors at their meetings held on 19th May 2022 and 20th May 2022, respectively.

RESOLVED further that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To consider and if thought fit to pass, with or without modification(s), the following as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of the Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, in this regard including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, approval of the Members be and is hereby accorded, to the related party transaction(s), between the Company and Cavendish Industries Ltd., a subsidiary and a related party of the Company, during each of the next three financial years, i.e., 2022-23 to 2024-25, entered or to be entered at arm's length and in the ordinary course of business of the Company with due approval of the Audit Committee of the Board of Directors of the Company, as may be required, aggregating up to Rs. 1,250 Crore, in each of the said three financial years, which may exceed the threshold specified under Regulation 23 of the said Regulations.

RESOLVED further that the Key Managerial Personnel of the Company be and are hereby authorised jointly and/or severally to settle any difficulty that may arise and do all such acts, deeds and things as may be required in this connection.”

Regd. Office:
Jaykaygram, PO-Tyre Factory,
Kankroli - 313 342(Rajasthan)
Phone: 02952-233400/233000
Fax: 02952-232018
Email id: investorjkyre@jkmil.com
CIN: L67120RJ1951PLC045966
Website: www.jkyre.com
Date: 21st July, 2022

By Order of the Board

Pawan Kumar Rustagi
Vice President (Legal)
& Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Statement pursuant to Section 102 of the Companies Act, 2013 (Act), setting out the material facts concerning Item Nos. 4 to 7 of the Notice, is annexed hereto.
3. Relevant documents referred to in the accompanying Notice and the Statement pursuant to Section 102 of the Act, shall be available for inspection at the Registered Office and the copies thereof at the Administrative Office of the Company during normal business hours (between 11.00 A.M. to 1.00 P.M.) on all working days up to and including the date of the Annual General Meeting (AGM).
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 20th August to 26th August, 2022 (both days inclusive).
5. The dividend of Rs. 1.50 per Equity Share of Rs. 2/- each (75%) as recommended by the Board of Directors, if declared at the AGM, is planned to be paid within two weeks of the date of the AGM to the Members whose names are borne on the Company's Register of Members on 19th August, 2022 or to their mandatees.
6. In respect of shares held in dematerialised form, the dividend will be paid to all the beneficial owners as at the end of the day on 19th August 2022, as per the list of beneficial owners to be received from the Depositories for this purpose.
7. Pursuant to the requirement of the Income-tax Act, 1961, the Company will be required to withhold taxes as may be required, at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and documents registered with the Company
8. Electronic copy of the Annual Report for the financial year (FY) 2021-22, the Notice of the 69th AGM of the Company along with Admission Slip and Proxy Form are being emailed to all the members whose email addresses are registered with the Company/Depository Participants. Physical copy of the aforesaid documents may be sent on request by any such Member.

Physical copy of the Annual Report for the FY 2021-22, the Notice of the 69th AGM of the Company along with Admission Slip and Proxy Form are being sent to those members who have not registered their email addresses with the Company/Depository Participants. The Annual Report for FY 2021-22 and the Notice of the 69th AGM will also be available on the Company's website - www.jktyre.com and websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. The Notice of AGM is also available on the website of CDSL at www.evotingindia.com.

9. **Members who have not registered their email addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.**
10. APPOINTMENT OF DIRECTOR:
Brief profile of the Director proposed to be reappointed (Item No.

3 of the Notice): Smt. Sunanda Singhania (age sixty nine years) is a Member of the Managing Committee of Pushpawati Singhania Hospital & Research Institute (PSRI Hospital), since its inception, 26 years back. Ever since, Smt. Singhania has been responsible for development of PSRI Hospital, South East Asia's first super speciality hospital for Liver, Renal & Digestive Diseases. PSRI has since been developed into multi-specialty hospital and is one of the leading hospitals in India, dedicated to providing advanced and comprehensive medical and surgical treatment in the areas of Gastroenterology, Nephrology, Urology, Hepatology, Endocrinology, Organ Transplant, Cardiology and Cardiac Surgery, Neurology and Neuro Surgery, Orthopedics including Joint Replacement, Pulmonology, Critical Care, etc. and is equipped with most modern diagnostic and radiology facilities. Kidney & Liver transplant programmes are amongst the flagship programmes of PSRI. Smt. Singhania is also overseeing affairs of Indica Travels & Tours Pvt. Ltd., for over 33 years, a Travel House providing comprehensive services relating to travel and tours. She joined the Board of Directors of the Company w.e.f. 12th August 2014. She is Gold Medalist in Indian Classical dance. She brings with her rich experience in the areas of community service, sustainability and Corporate Social Responsibility.

She attended all the four Board Meetings of the Company held during the financial year ended 31st March 2022. She holds 6,27,500 Equity Shares of Rs. 2/- each of the Company. She is wife of Dr. Raghupati Singhania, Chairman & Managing Director of the Company. Except this, Smt. Singhania is not related to any other Director or Key Managerial Personnel of the Company. As a non-executive director of the Company, she is entitled to fee for attending the meetings of the Board and profit related commission, within the limits stipulated under the Companies Act, 2013 and the approval of the Members, wherever applicable.

She is also a Director of Radical Agro Products Pvt. Ltd. Chairmanship/ Membership of Smt. Singhania in Committees of Directors in other Companies - NIL. Listed entities from which Smt. Singhania has resigned in the past three years - NIL. Her Director Identification Number is 02356376.

11. *Remote e-voting procedure:* In compliance with the provisions of Section 108 of the Companies Act, 2013 read with relevant rules thereunder and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December 2020, the Company is pleased to provide to its members, facility to exercise their right to vote at the 69th AGM by electronic means and the business may be transacted through remote e-voting services provided by Central Depository Services (India) Ltd. (CDSL). Remote e-voting is optional. The facility for voting by ballot/polling paper shall also be made available at the AGM and members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right to cast vote at the AGM.

A. **THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 23rd August, 2022 from 10.00 A.M. and ends on 25th August, 2022 at 5.00 P.M. During this period, members of the Company holding equity shares either in physical form or in dematerialized form, as on the cut-off date i.e., 19th August 2022 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the AGM venue.

- (iii) Pursuant to the said SEBI Circular dated 9th December 2020, under Regulation 44 of the Listing Regulations, all individual shareholders holding equity shares of the Company in demat mode can cast their vote, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode

- (iv) Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to the above said SEBI Circular dated 9th December 2020, login method for e-Voting for **Individual shareholders holding securities in Demat Mode with CDSL/NSDL**, is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL's Easi / Easiest facility, can login through their existing User Id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on login icon and select New System Myeasi. 2) After successful login, the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile Number & Email Id as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in Demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company Name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company Name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period.

Important Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no. 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- v) Login method for remote e-Voting for **Physical shareholders and shareholders other than individual, holding in Demat form**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com
 - 2) Click on “Shareholders/Members” module.
 - 3) Now enter your User ID:-
 - a. For CDSL: 16 digits Beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in physical form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user, follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. The sequence number is printed on the forwarding advice/ Admission Slip.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company, please enter the Member Id/folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN relevant for ‘JK Tyre & Industries Ltd.’
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option ‘YES’ or ‘NO’ as desired. The option ‘YES’ implies that you assent to the Resolution and option ‘NO’ implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA, if any uploaded, which will be made available to the Scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians – For Remote e-Voting only.**
 - Non-Individual shareholders (i.e., other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non Individual shareholders are required to mandatorily send the relevant Board Resolution/ Authority letter, etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address i.e., investorjktyre@jktmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

B. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ID /MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES:

- (i) For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investorjktyre@jksmail.com or rta@alankit.com.
- (ii) For Demat shareholders - Please update your email id & mobile number with your respective Depository Participant (DP).
- (iii) For Individual Demat shareholders – Please update your email id & mobile number with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

C. OTHER INSTRUCTIONS:

- (i) If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
 - (ii) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25th Floor, Marathon Futorex, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (East), Mumbai - 400 013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.
12. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e., 19th August 2022 may follow the same instructions as mentioned above for remote e-Voting.
 13. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e., 19th August 2022 and a person who is not a member as on the cut-off date should treat the Notice for information purposes only.
 14. The Company has appointed Shri Ronak Jhuthawat (Certificate of Practice No.-12094) of M/s Ronak Jhuthawat & Co., Company Secretary in practice as Scrutinizer and Ms. Pooja Mehta (Certificate of Practice No.-23099), Company Secretary in Practice as Alternate Scrutinizer, to scrutinize the voting (at AGM venue) and remote e-voting process, in a fair and transparent manner and they have communicated their willingness to be appointed and be available for the purpose of ascertaining the requisite majority.
 15. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith not later than two working days of the conclusion of the Meeting.
 16. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e., 19th August 2022 and who has not cast vote by remote e-voting, and being present at the AGM either personally or through proxy, only shall be entitled to vote at the AGM. Ballot papers will be available at the venue of the AGM.
 17. The results declared along with the consolidated Scrutinizer's Report shall be placed on the Company's website www.jktyre.com and on the website of CDSL (www.evotingindia.com) and shall simultaneously be forwarded to the Stock Exchanges. The result of the voting will also be displayed at the Notice Board at the Registered Office and the Administrative Office of the Company.

18. This Notice also contains a route map of the venue of AGM.

STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 4

Shri Bharat Hari Singhania is continuing as a non-executive director of the Company with effect from 1st October 2021 upon completion of his five years term as a Managing Director on 30th September 2021. Shri Bharat Hari Singhania was a Managing Director of the Company since 1994. Shri Singhania expressed his desire not to seek re-appointment as a Managing Director for a fresh term. Accordingly, he ceased to be a Managing Director effective 30th September 2021. He, however, agreed to be available to the Company and management to provide services as may be required. Accordingly, the members of the Company at the Annual General Meeting held on 27th August 2021 approved continuation of Shri Singhania as a non-executive director and also approved payment of remuneration of Rs. 33.50 lakh per month for the period of three years.

In terms of Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a listed company is required to obtain approval of the members by special resolution every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, giving relevant details thereof.

It is expected that the remuneration payable to Shri Bharat Hari Singhania, as aforesaid, may exceed fifty percent of the total annual remuneration that may be payable to all non-executive directors of the Company for the financial year 2022-23.

Accordingly, approval of the members of the Company is required by way of special resolution for payment of remuneration to Shri Bharat Hari Singhania for the financial year 2022-23, as aforesaid.

Shri Bharat Hari Singhania is an industrialist with over 61 years of experience. Presently, he is also President of J.K. Organisation. He has vast experience and deep knowledge in the areas of sustainable and long-term financial structuring, policy planning, corporate governance practices, strategy and other long-term developmental activities. He is a promoter Director of the Company and has been on the Board of Directors since 1987 and was Managing Director of the Company from 30th March 1994 to 30th September 2021. It is considered that his availability to the Company will be in the overall interest of the Company and its stakeholders since the Company and management will continue to derive the benefits seamlessly by leveraging on his vast experience and deep understanding and knowledge.

The Resolution is recommended to the members by the Board for passing as Special Resolution.

Except Shri Bharat Hari Singhania and Dr. Raghupati Singhania, Chairman & Managing Director and their relatives to the extent of their shareholding, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the aforesaid Special Resolution.

Item no. 5

The existing Articles of Association of the Company were adopted in the year 1974 and are based on the provisions of the erstwhile Companies Act, 1956. From time to time, few clauses were amended/inserted, to cater to specific requirements.

Consequent to the enactment of the Companies Act, 2013 (the Act) and subsequent amendments thereof, the regulatory provisions have undergone comprehensive changes which necessitates several amendments in the Articles of Association (AoA) of the Company including deletion of certain redundant Articles.

Pursuant to the provisions of the Section 14 and other applicable provisions, if any, of the Act and rules made thereunder, approval(s) of the Members of the Company by means of a Special Resolution is required for alteration of AoA by adoption of new AoA in substitution of existing AoA so that the new AoA are consistent and in alignment with the provisions of the Act and the rules made thereunder.

Copy of the proposed AoA is available on the website of the Company

at www.jktyre.com and would also be available at the Registered Office of the Company for inspection by the Members up to the date of the AGM.

The Resolution is recommended to the members by the Board for passing as Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the aforesaid resolution.

Item no. 6

The Board at its meeting held on 20th May 2022, on the recommendation of the Audit Committee, has appointed M/s R.J. Goel & Co., Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year commencing 1st April 2022 at a remuneration of Rs. 2,50,000/- (Rupees Two Lakh and Fifty Thousand Only), in addition to applicable taxes, etc.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditors has to be ratified by the shareholders of the Company.

The Board recommends aforesaid resolution for the approval of the members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the aforesaid resolution.

Item no. 7

The Company acquired Cavendish Industries Ltd. (CIL) in the financial year 2016-17 and as on date it holds 87.46% equity shares directly and through its wholly owned subsidiary.

Pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed Rs. 1,000 Crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

Since CIL, a subsidiary and a related party, manufactures automotive tyres under its own brand name as well as in the brand name of the Company, it is estimated that during each of the next three financial years, i.e., 2022-23 to 2024-25, the Company entered/will enter into transactions with CIL aggregating upto Rs. 1,250 Crore in each of the said three financial years, which may exceed the threshold limits as specified above. Accordingly, the transactions will be deemed to be material related party transactions, as aforesaid. The transactions with CIL will be at arm's length and in the ordinary course of business of the Company. Therefore, the transactions will be outside the ambit of Section 188 of the Companies Act, 2013.

It is, therefore, considered desirable to obtain approval of the shareholders for the related party transactions with CIL as aforesaid.

Information pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021 (SEBI Circular) -

Details of summary of the information provided by the management of the Company to the Audit Committee/other details:

- a. *Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest*

(financial or otherwise) - Cavendish Industries Ltd. (CIL) is an unlisted subsidiary of the Company and thus a related party of the Company. The Company is a promoter of CIL and holds 87.46% equity shares directly and through its wholly owned subsidiary.

- b. *Type, material terms and particulars of the proposed transaction* - CIL manufactures automotive tyres under its own brand name as well as in the brand name of the Company. Accordingly, the transactions with CIL will mainly be in the nature of purchase of tyres, sale/purchase of raw material as well as other miscellaneous items, avilment /rendering of services, etc. The transactions with CIL will be at arm's length and in the ordinary course of business of the Company.
- c. *Tenure of the proposed Transaction (particular tenure shall be specified)* - The proposed resolution is in respect of transactions entered/to be entered during the three financial years i.e., 2022-23 to 2024-25.
- d. *Value of the proposed transaction* - Up to Rs. 1,250 Crore in each of the three financial years i.e., 2022-23 to 2024-25.
- e. The percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction is 10.40% and 41.83% on the basis of the CIL's annual turnover on a standalone basis.
- f. *Justification as to why the RPT/proposed transaction(s) is in the interest of the listed entity* - The proposed transactions will enable the Company to leverage on economies of scale and will optimize on other operational costs. The transactions are, therefore, considered to be in the interest of the Company and aimed at enhancing the operational efficiencies and the shareholder's value.
- g.
 - (i) *A copy of the valuation or other external party report, if any such report has been relied upon* - The transactions with CIL will be at arm's length and in the ordinary course of business of the Company and are reviewed for arm's length testing internally by the Internal Auditors.
 - (ii) *A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders* - Not Applicable

The Board recommends aforesaid resolution for the approval of the members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the aforesaid resolution.

Regd. Office:

Jaykaygram, PO-Tyre Factory,

Kankroli - 313 342(Rajasthan)

Phone: 02952-233400/233000

Fax: 02952-232018

Email id: investorjktyre@jkmil.com

CIN: L67120RJ1951PLC045966

Website: www.jktyre.com

Date: 21st July 2022

By Order of the Board

Pawan Kumar Rustagi
Vice President (Legal)
& Company Secretary

FOR ATTENTION OF THE SHAREHOLDERS

1. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
2. Please check the Pincode in the address slip pasted on the envelope and advise correction, if any, therein. Also please do indicate the Pincode Number of your delivery post office while notifying change in your address to the Company where shares are held in physical form.
3. (a) As per SEBI directions, the securities of the listed entities can be transferred only in dematerialized form from 1st April 2019. In view of the above and to avail other benefits of dematerialisation, members who are still holding shares in physical form are requested to dematerialize their shares. For guidance on how to dematerialize the shares, please visit our website at www.jktyre.com.
- (b) Members may please note that SEBI vide its Circular dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialized form only, while processing various service requests viz. issue of duplicate share certificate; claim from unclaimed suspense account; renewal/ exchange of share certificate; endorsement; sub-division/splitting of share certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, which is available on the Company’s website at www.jktyre.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.
- (c) As per SEBI Circular dated 3rd November, 2021 read with Circular dated 14th December 2021, the Company has sent letters to all members holding shares in physical form for furnishing their PAN, KYC details and nomination etc. in prescribed forms (Form ISR-1, ISR-2, ISR-3, SH-13 and SH-14). These forms are available on company’s website at www.jktyre.com. Members who have not submitted such details so far are requested to submit the same to the Registrar and Share Transfer Agent (RTA), Alankit Assignments Limited at Alankit House, 4E/2 Jhandewalan Extension, New Delhi-110 055 (India) or email at rta@alankit.com. In the absence of KYC and other details as mentioned in above circulars, such folios shall be frozen by RTA and no service request shall be entertained w.e.f. 1st April 2023.
- (d) SEBI vide its circular dated 30th May 2022 has prescribed Standard Operating Procedures for dispute resolution under the Stock Exchange arbitration mechanism for a dispute between a Listed Company and/or RTA and its Shareholders(s) / investor(s). The said circular is available on the website of the Company at www.jktyre.com.
4. **Dividend Warrants:** As per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, it is mandatory for the Company to print the bank account details of the investors on dividend payment instrument. Accordingly, the Members are requested to register/update their correct bank account details with the Company/RTA/Depository Participant, as the case may be along with nine digit MICR/NECS details.

5. Investor Education and Protection Fund:

a) Unclaimed Dividends - Transfer to Investor Education and Protection Fund: The unclaimed dividend will be transferred to the Investor Education and Protection Fund on expiry of 7 years from the date the dividend became due for payment as under:

Dividend	Due date for transfer to the said Fund
➤ Financial Year ended 31.3.2015 • 75% Dividend	24 th September 2022
➤ Financial Year ended 31.3.2016 • 125% Dividend	5 th September 2023
➤ Financial Year ended 31.3.2017 • 125% Dividend	8 th August 2024

Members who have not encashed their Dividend Warrants for the said financial years and subsequent years are requested to send the same for revalidation to the Secretarial Department of the Company at New Delhi.

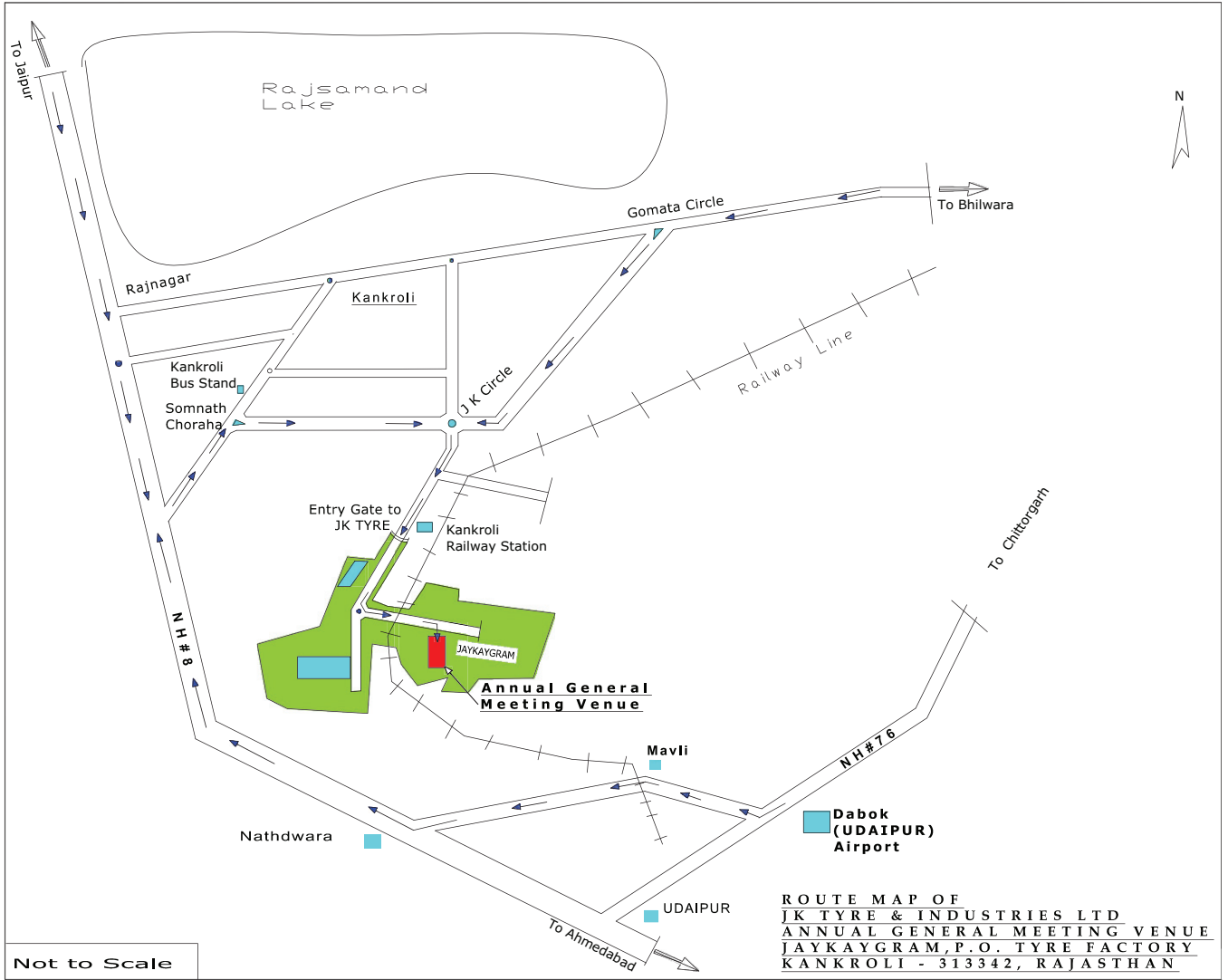
The unpaid dividend in respect of the prior period have already been transferred to the General Revenue Account of the Central Government or the Investor Education and Protection Fund, as the case may be, as per the provisions of the said Act read with the relevant Rules framed thereunder.

b) Transfer of Shares to IEPF Authority: Pursuant to the provisions of Section 124 of the Companies Act 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more, from time to time. Details of shares transferred to the IEPF Authority are available on the website of the Company and have been also furnished to the IEPF Authority.

Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from the Authority in accordance with procedure and on submission of documents as prescribed in the Rules, for which details are available at www.iepf.gov.in.

6. NOMINATION: Pursuant to Section 72 of the Companies Act, 2013, Shareholders may nominate an individual to whom all the rights in the shares shall vest in the event of death of the sole/all joint Shareholders. The prescribed FORM SH - 13 is available on the website of the Company. The duly completed Form is to be sent to the Company (for physical shares) and to the respective Depository Participants (for shares held in demat mode).

FOR ATTENTION OF THE SHAREHOLDERS





Regd. Office: Jaykaygram, PO - Tyre Factory, Kankroli - 313 342(Rajasthan)
 Phone: 02952-233400/233000; Fax: 02952-232018; Email id: investorjktyre@jkmil.com
 CIN: L67120RJ1951PLC045966; Website: www.jktyre.com

ADMISSION SLIP

Folio No. or DP Id/Client-Id :
 Name and Address of the Member :

 No. of Shares held :
 Sequence Number for E-voting\$:

I hereby record my presence at the 69th Annual General Meeting of the Company being held at Jaykaygram, PO-Tyre Factory, Kankroli - 313 342 (Rajasthan) on Friday, the 26th August 2022 at 11.30 A.M.

Name of the Proxy-holder/ Authorised Representative attending the Meeting * (in block letters)	
--	--

* Strike out whichever is not applicable.
 \$ Applicable for shareholders who have not updated their PAN with the Company/Depository Participant.

.....
 Signature of the Member/Proxy/Authorised Representative*

- Notes: 1. A member/proxy/authorised representative wishing to attend the Meeting must complete this Admission Slip before coming to Meeting and hand it over at the entrance.
 2. If you intend to appoint a proxy, please complete, stamp, sign and deposit the Proxy Form at the Company's Registered Office at least 48 hours before the Meeting.



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 Phone: 02952-233400/233000; Fax:02952-232018; Email id: investorjktyre@jkmil.com
 CIN: L67120RJ1951PLC045966; Website :www.jktyre.com

PROXY FORM
[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules,2014]

Name of the Company : JK Tyre & Industries Ltd.
 Registered Office : Jaykaygram, PO - Tyre Factory, Kankroli-313 342(Rajasthan)
 Name of the member(s) :
 Registered Address :
 E-mail Id :
 Folio No/ Client Id/ DP ID :

I/We, being member(s) ofshares of JK Tyre & Industries Ltd., hereby appoint

- Name :
 Address :
 E-mail Id :
 Signature :....., or failing him
- Name :
 Address :
 E-mail Id :
 Signature :....., or failing him
- Name :
 Address :
 E-mail Id :
 Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 69th Annual General Meeting of the Company, to be held on Friday, 26th August 2022 at 11.30 A.M. at Jaykaygram, PO - Tyre Factory, Kankroli - 313 342 (Rajasthan) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolu- tion No.	Resolution Description	FOR	AGAINST
1	Receiving, considering and adoption of a) audited standalone financial statements of the Company for the financial year ended 31 st March, 2022 and the Reports of the Board of Directors and Auditors thereon; and b) audited consolidated financial statements of the Company for the financial year ended 31 st March, 2022 and the Reports of the Auditors thereon		
2	Declaration of Dividend.		
3	Re-appointment of Smt. Sunanda Singhania as a Director, who retires by rotation.		
4	Payment of remuneration to Shri Bharat Hari Singhania, non-executive director for the financial year ending 31 st March 2023.		
5	Adoption of new Articles of Association(AoA) in substitution of the existing AoA of the Company.		
6	Ratification of remuneration payable to the Cost Auditors for financial year 2022-23.		
7	Approval for related party transaction(s) between the Company and Cavendish Industries Ltd., a subsidiary.		

Signed this.....day of.....2022

Signature of shareholder

Signature of Proxy Holder(s)

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

Driving smartly
into the future



MANUFACTURING



MARKETING



BRANDING



DIGITALISATION



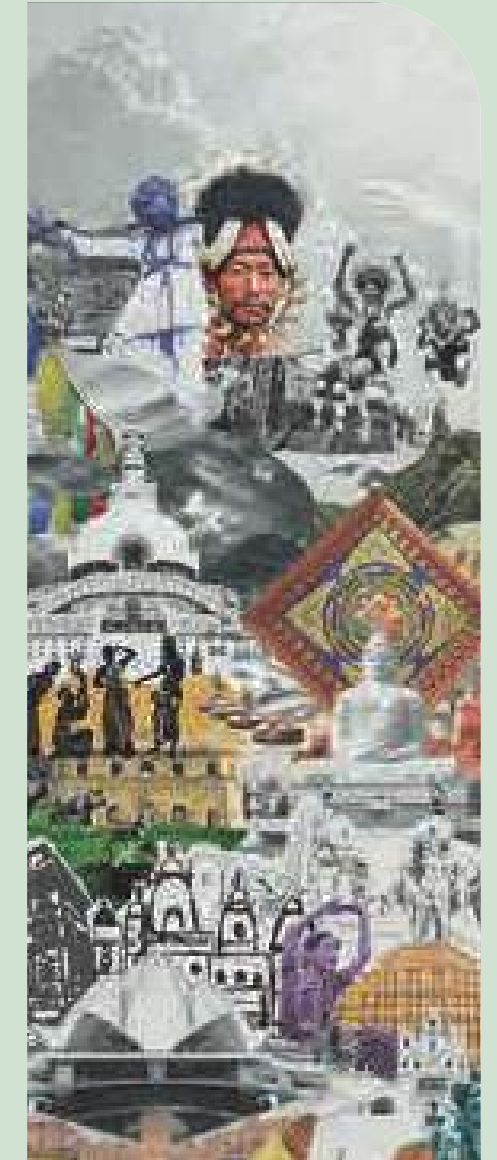
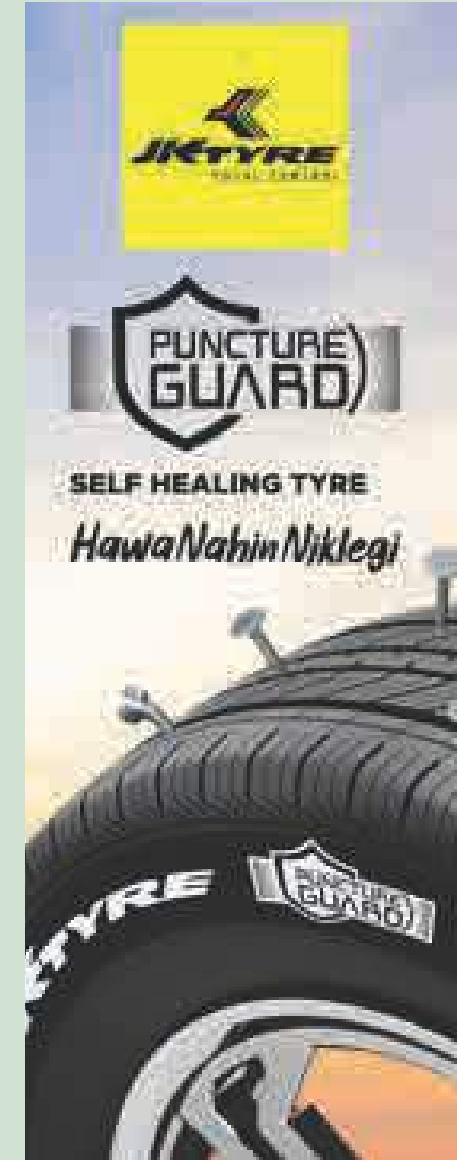
FINANCIAL



ESG

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Driving smartly into the future

Having entered the tyre manufacturing industry more than 45 years ago and rolled out India's first radial tyre in 1977, we have been driving the radial tyre revolution in India ever since. Over the years, we have consolidated our market leadership on the strength of our innovative capabilities, product excellence and customer centricity. We are today among the top 25 global tyre manufacturers and a global leader in Green tyre manufacturing, that has kept care for people and the planet at the heart of its growth drive. We are the pioneers of radial technology in India, and till date we have put 25 million truck bus radial (TBR) tyres on the road across the globe.

Alert and responsive to evolving needs and anticipating future needs, we are continually transforming ourselves at a rapid pace. Through the adoption of cutting-edge technology and digitalisation, we are enhancing our manufacturing efficiency, producing technologically advanced products, deepening our connect with our people and communities, building the capabilities of our people and growing our exports.

Our Smart tyres, embedded with sensor technology that helps optimise fuel efficiency, our eco range of products for E-vehicles, are not only adding to the value proposition and profitability of the Company, but also contributing to sustainability goals. Using smart technology, innovative thinking, backed by an unrelenting focus on the environment, social and governance aspects, we are Smartly driving into the future as an agile and future-ready organisation.



Financial highlights FY 2021-22

Revenue

₹12,020 Cr

PAT

₹201 Cr

EBITDA

₹1,110 Cr

Revenue from exports

₹1,873 Cr

JK Tyre's growing scale

1st Tyre brand to receive the Active Customer Engagement Award from CII

100+
Countries of operations

450+
Total number of SKUs

Recipient of the Great Place to Work award

10,000+
Employees globally

The only tyre Superbrand in India

25+
OEM client and relationships

Among Top 25 Tyre companies in the world



Report profile

About the report

The Integrated Report 2021-22 presents our financial and non-financial performance. This year onwards, our sustainability performance will be covered within this integrated report, communicating our sustainability commitments, initiatives, and performance on different environmental, social and governance aspects during the period.

Reporting period and boundary

This report is for the period between April 1, 2021-March 31, 2022 and is released annually. The last Sustainability Report was released for FY 2020-21. The report covers all operations of JK Tyre & Industries Limited.

Frameworks, guidelines and standards

The report has been prepared in accordance with the International Framework published by the Value Reporting Foundation, erstwhile International Integrated Reporting Council (IIRC). Also, this report has been prepared in accordance with the GRI Standards: Core option. GRI Content Index is part of this Integrated Annual Report on page 114.

This report aligns with:

- The Companies Act, 2013 (and the rules made thereunder)
- Indian Accounting Standards
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Secretarial Standards issued by the Institute of Company Secretaries of India

Data integrity

We have collected and analysed relevant data to support our disclosures for this integrated report. We exercise strict internal controls to provide information that is accurate and reliable, and at the same time unbiased, comparable, and comprehensible. Wherever applicable, we have taken care to cite any significant limitations in the information.

Precautionary approach

We follow a precautionary approach towards minimising the impact of our operations on the environment. We have implemented environment, health and safety (EHS) management systems in our plants to regularly review and address impacts and minimise the same. We get our EHS management system audited on a regular basis by independent auditors.

External assurance

This report has been independently assured by BSI as per AA1000 Standard and GRI Standard. Their statement is available as part of the report. The information on Business Performance is derived from our audited financial statements for FY 2021-22.

Capitals deployed



Natural capital

We use natural resources like natural rubber and crude for manufacturing. Natural resources used by JK Tyre while manufacturing tyres, along with preservation of natural capital, is essential for us as our input raw materials depend upon them.



Intellectual capital

Research and innovation help us produce best-in-class unique products to cater to changing customer preferences. We have strong R&D capabilities.



Manufacturing capital

We have 12 manufacturing plants in India and Mexico, which are used to produce tyres. We continuously upgrade these and implement latest technologies for efficient and environment-friendly operations.



Financial capital

Financial resources utilised and secured for the future. We use our financial resources prudently and manage these to reduce debt and increase stakeholder confidence.



Human capital

Our employees are essential assets for us and we aim to enhance their knowledge, skills, experience, and motivation.



Social and Relationship capital

We collaborate with stakeholders including our customers, community impacted by our operations, suppliers, vendors and contribute to their growth.

Feedback

Share your feedback or queries on this report to:
investorjkyre@jkmail.com

JK TYRE & INDUSTRIES LTD.

ADMINISTRATIVE OFFICE

3, Bahadur Shah Zafar Marg,
New Delhi – 110 002

Ph.: +91 11 66001112, 66001122

REGISTERED OFFICE

Jaykaygram, PO – Tyre Factory,
Kankroli – 313 342, Rajasthan

CIN: L67120RJ1951PLC045966

Website: www.jktyre.com

AUDITORS

S S Kothari Mehta & Company
Chartered Accountants

VICE PRESIDENT (LEGAL) &
COMPANY SECRETARY
Pawan Kumar Rustagi



Smart products. Smarter outreach.

In a 'digital first' world, our pursuit of excellence goes much beyond delivering innovative and technologically superior products to finding smarter ways to reach our customers. To generate the desired level of interest around our Smart Tyres, we adopted an innovative blend of physical and digital channels to engage with our customers at their preferred touchpoints.



Eye-catching advertisements on television and mainstream media were supplemented with live events and roadshows. Out-of-home ads created a distinct brand impact. Sometimes, endorsements by celebrities and sports heroes helped carry home the message of quality and excellence. And, increasingly, digital, the go-to medium for audiences, is serving as our message bearer.

While Narain Karthikeyan, India's first Formula One racer, created a buzz as our brand ambassador, the television commercial on Smart Tyres garnered a landmark 110+ Million views. Key digital influencers led our campaign on the digital media, making JK Tyre the most followed Indian tyre brand on social media channels. The Smart Tyre 360-degree campaign has already crossed a 50 Million viewership on social media, winning us the Viral Marketing Award from The Economic Times.

Digital marketing has helped promote our branded outlets while our association with e-commerce platforms is strengthening our market presence.

THE FUTURE OF DRIVING IS HERE.
SMART TYRE
TYRE WITH A BRAIN



<https://smartyre.jktyre.com/>



Adding value through JK Mobility Solutions

JK Tyre has always had a customer first approach with focus on new innovations and disruptive solutions. JK Tyre is first company to bring futuristic **Mobility Solutions** for the growing fleets and to meet the needs of fast changing, tech centric logistics industry. This innovative solution offers a complete peace of mind as this is a pay per kilometre concept. The entire Tyre Management is handled by a team of tyre & vehicle experts spread over multiple locations.

The Mobility Solutions program is yet another path breaking customer centric solution from JK Tyre, expanded its footprint and winning the prestigious fleets in the country. It is a matter of pride for JK Tyre that recently the Electric Buses in many cities were launched under this program. All these buses are fitted with JK Smart Tyres and have connected mobility solutions which provide real time tyre specific information adding to the safety and much needed operational efficiency in the fleet.

JK Tyre offers premium tyres, lower breakdowns for better turnaround time, improved fuel mileage, highly skilled & trained experts to ensure the right practices, tracking of tyres on wheels through IT integration and widest network of pitstops across the country.



JK Tyre Truck Wheels





Judicious balancing of priorities

At JK Tyre, our people have been the cornerstone of our sustained success over the years. As rapid technological changes, market turbulence and an uncertain business environment create more complexities, we have grown more agile in preserving our intellectual and human capital. We are adapting proactively to change by creating a diverse and inclusive workforce, a more enabling work environment, and a culture of excellence through continuous learning and

development. We were certified a 'Great Place to Work' for the 3rd consecutive year in FY 2021-22. We are also building the capabilities of our channel partners. During the year, the entire frontline sales team benefited from the capability building training programme focused on the development of various skills. Dedicated programs were also conducted to orient the team and channel partners on Smart Tyres to deliver a superior customer experience.

Young Talent at JK Tyre



Priorities for our people

- 1 People Process Improvement
- 2 Talent Management
- 3 Capability Development
- 4 Employee Engagement
- 5 Employee Branding

Our people focus is part of our ESG consciousness, which lies at the centre of our growth strategy. Our environment stewardship ensures that we responsibly consume resources, optimally utilise fossil fuel, lessen our carbon footprint and, in doing so, mitigate climate change. We act upon our social commitment by investing in our people, upholding the interests of our stakeholders, building long-term relationships with our vendors and customers. And most importantly, by ensuring that we play a role in securing a better future for all by investing in community development through our CSR initiatives in the areas of education, livelihood enhancement, sanitation, skill building, healthcare and so on. A strong ESG framework, backed by a robust governance, and based on the five pillars of People, Planet, Process, Product and Prosperity, helps us stay aligned to the imperative to grow along the triple bottom line.

Priorities for community development

- | | |
|--------------|---------------|
| 1 Livelihood | 2 Health |
| 3 Education | 4 Environment |



4

Putting India on the global motorsport arena

JK Tyre has been synonymous with motorsport in India for the past four decades. During this time, we have developed the motor sporting ecosystem in the country, investing extensively in developing the infrastructure, hosting sporting events and most importantly, discovering, promoting and providing a platform for motor sporting talent in India through our

programs. Apart from thrilling sports enthusiasts and creating an audience for motorsport, our efforts have also put India up on the global racing map. Not even the pandemic could defeat our enthusiasm in promoting motorsport in India. The year 2022 will mark the 25th continuous year of our hosting the JK Tyre National Racing Championship.

We are present across all verticals of motorsport – be it karting, rallying, 4/2wheel racing, off-roading, time-speed-distance events to experiential drives. We were the first to introduce karting in India, which has now become the breeding ground for motorsport talent.

It has been our constant endeavour to find, nurture and promote young talent and make them race-ready to represent India in the world of professional racing. Many of the Indian sportspeople who have made a mark in the global racing circuit began their journey from our sporting events or were supported by our talent nurturing programs.

From prodigies like Narain Karthikeyan, Karun Chandhok, Armaan Ebrahim and Gaurav Gill to young aspirants such as Arjun Maini, Kush Maini, Yash Aradhya, Amir Sayed, Akhil Rabindra and Mira Erda, an entire generation of racers have been groomed through our motorsport programs and championships.

2021 Championships

24th JK Tyre FMSCI National Racing Championship 2021

Longest running national racing championship in the country

JK Tyre presents Royal Enfield Continental GT Cup

India's first championship in the retro-racing format

JK Tyre FMSCI Indian National Regularity Run Championship

Launched in 2021 across the country, it provides a platform for driving enthusiasts to begin their journey in professional rallies

Indian National Rally Championship

India's top 12 rally drivers sponsored by JK Tyre gave a tough fight and secured podium wins



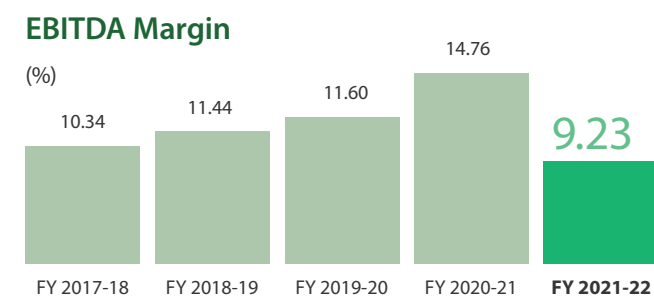
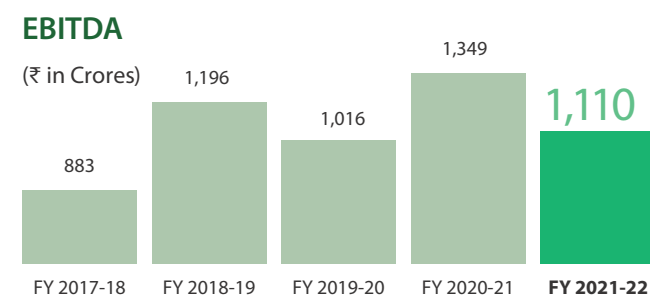
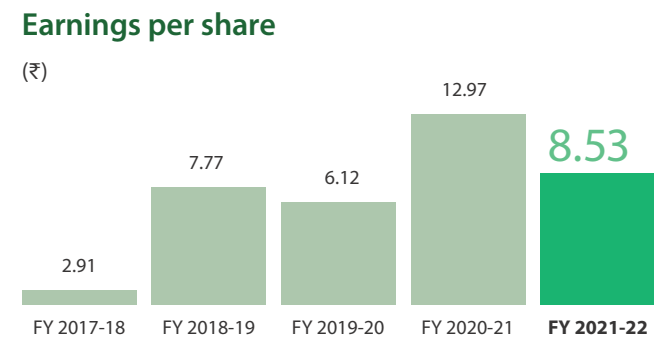
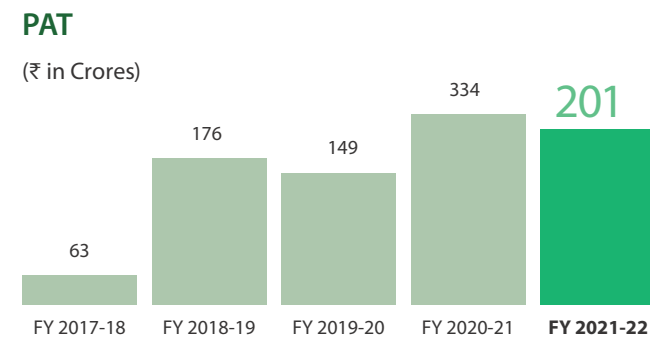
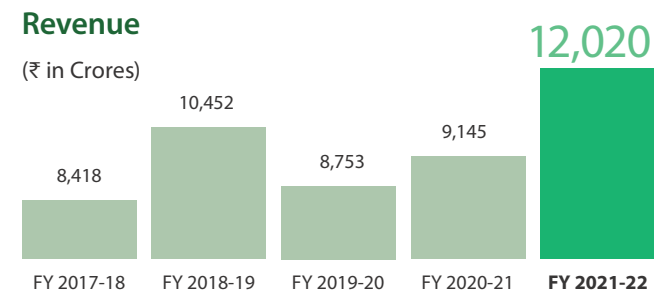


Performance highlights

A year of focussed innovation and market expansion

We ended the year on a positive note with sales crossing the ₹12,000 crores milestone. We have emerged as the largest exporter of On Highway tyres from India to the US. Our exports have registered an impressive 59% growth. The replacement segment continued to boost the top-line, strengthened by our innovative products and brand positioning.

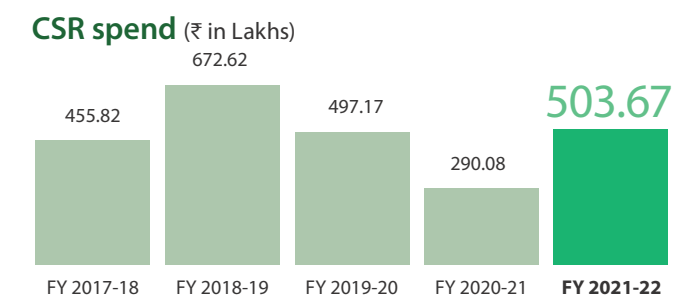
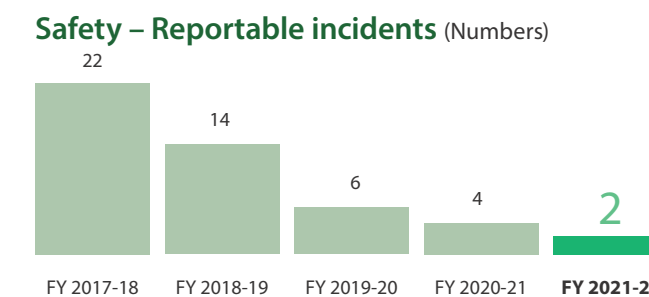
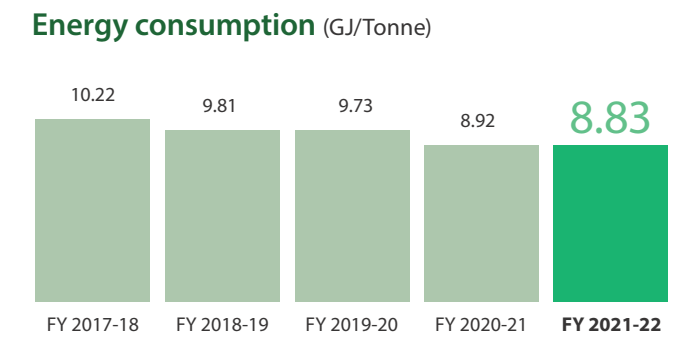
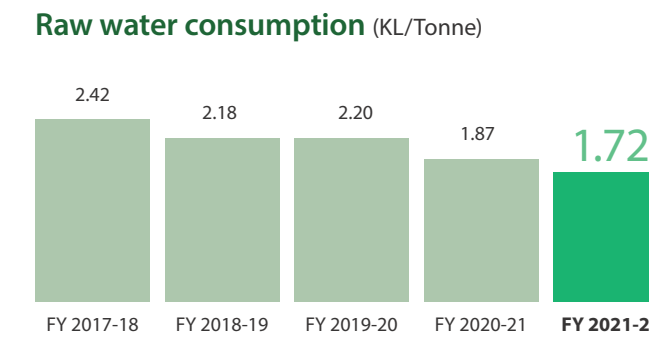
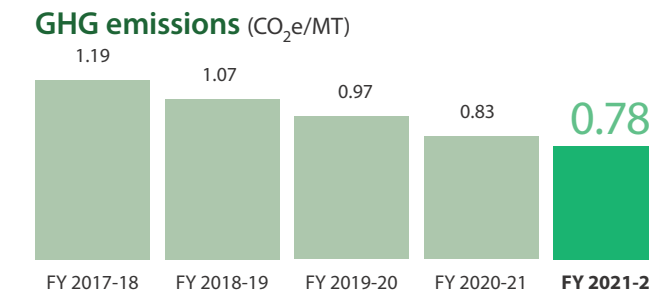
Financial performance



JK Tormel significantly strengthened its position in LATAM markets. Over the time, we have become the largest supplier to mass merchandisers viz. Walmart. Increase in the demand and preference for JK Tyre brand truck and passenger radials grew across markets including demanding geographies like Europe and North America.

Both our 'Smart Tyre' and 'Puncture Guard' launch showed excellent customer response and significant growth in the passenger vehicle tyre category. We are optimistic on the outlook of the tyre industry in India and believe there will be a good growth in demand across all market segments given the expected economic activity going forward and waning-off of the pandemic.

Sustainability performance



Economic value generated

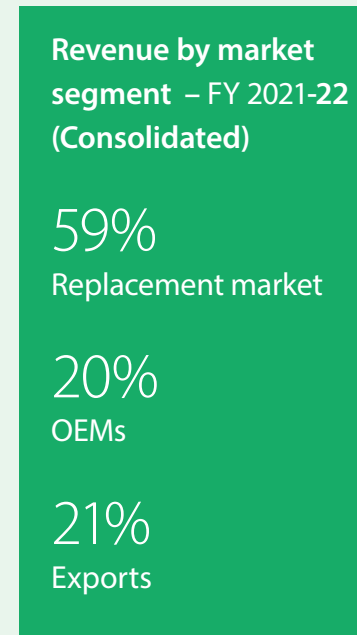
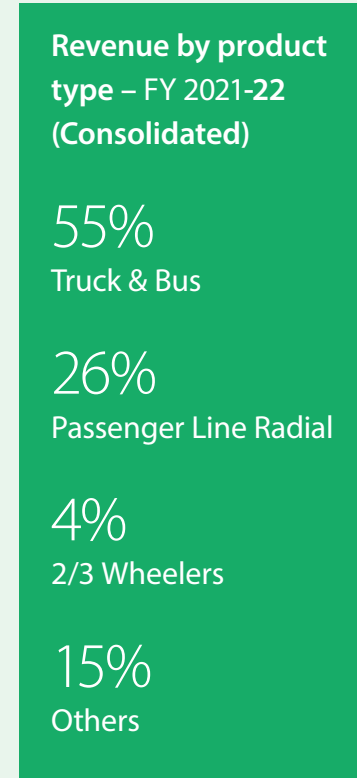
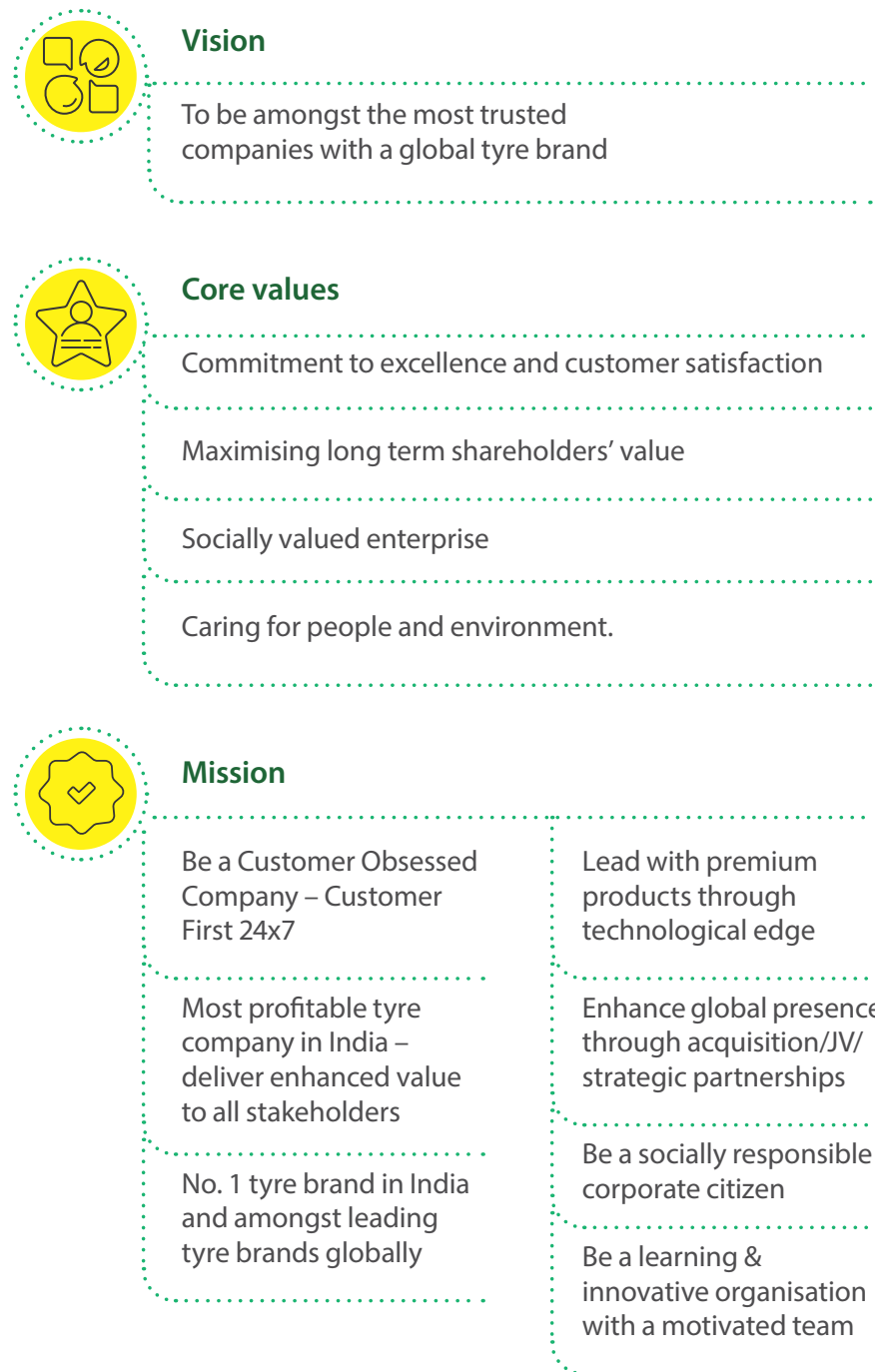
Particulars	2019-20	2020-21	2021-22
A) Direct Economic Value Generated			
Revenues from Operations	6092.65	6134.52	8032.06
Revenues from Other Sources	27.58	35.60	30.20
Total	6120.23	6170.12	8062.26
B) Economic Value Distributed			
Operating Expenses (Excluding Employee Wages and Benefits)	5474.15	5247.78	7194.51
Employee wages and benefits	553.76	547.99	607.40
Total	6027.91	5795.77	7801.91
Economic Value Retained (A-B)	92.32	374.35	260.35



Corporate identity

Confident
Capable
Futuristic

We manufacture next-generation energy-efficient, low resistance, IoT-enabled tyres. Our efforts at embedding sustainability in every business process and function have made the JK Tyre brand synonymous with trust, technology, superior performance, and superior value. We have embarked on a transformational journey, keeping our 5Ps of planet, people, process, product and prosperity, at the heart of the growth drive, which will help us shape our future and that of the industry.



Group history

Headquartered in India, the JK Organisation is an eminent manufacturing Group that has a heritage of more than **125 years**. With **40,000+ employees**, the Group has multi-business, multi-product and multi-location operations with a footprint in **100+ countries across six continents**. JK Group products enjoy significant market share in their respective segments on the back of visible brands, cutting-edge technologies and futuristic R&D institutes that promote innovation

Research and innovation

JK Tyre pioneered radial technology in India in the 1970s. In the subsequent decades, we helped grow India's radial market through cutting-edge technologies, innovation and consistent new product introduction. Today, we are a preferred brand in India's Truck Bus Radial (TBR) segment. We offer tyres across the entire range of passenger and commercial vehicles as well as speciality tyres. We are the first company in India to market more than 25 million TBR tyres. And we are the first and only tyre manufacturer in India to be recognised as a Superbrand in 2021, for the 8th consecutive time.

JK Tyre established the state-of-the-art centralised global Technology Centre at Mysuru – 'Raghupati Singhanian Centre of Excellence' (RPSCOE)

Environment-friendly

All of JK Tyre's plants are ISO 14001 certified to ensure environmental responsibility. Over the years, we have undertaken several 'green' initiatives to moderate our carbon footprint. We are now certified for 'Zero Waste to Landfill' and 'Single Use Plastic Free'.

Operational footprint

Growing market presence

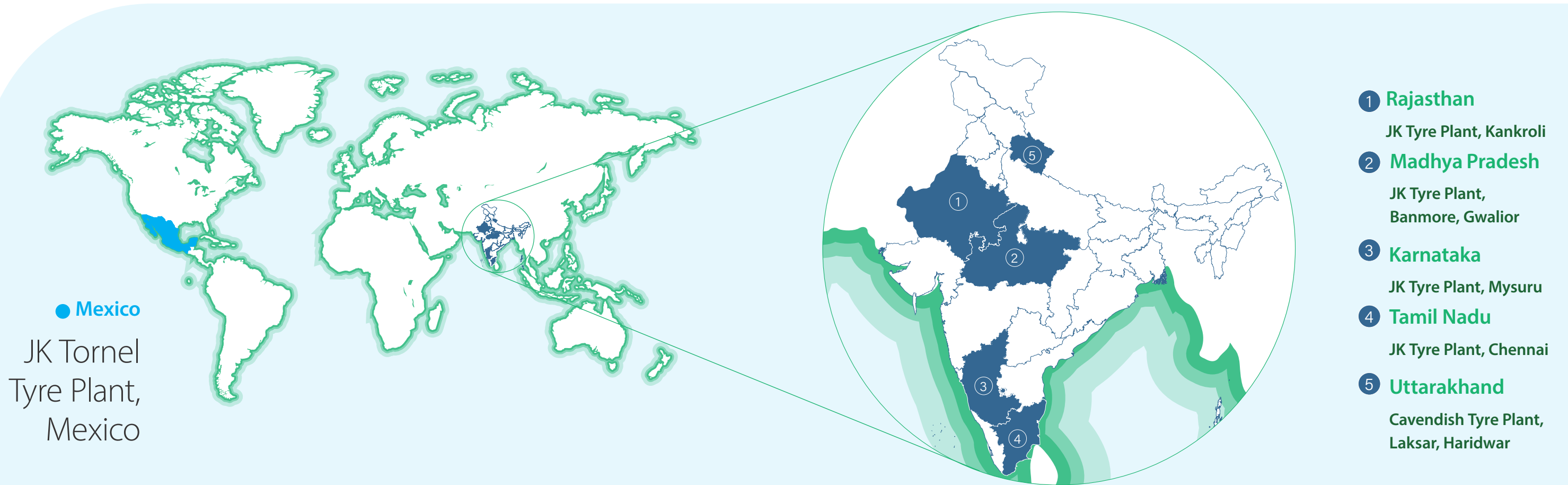
We have 12 state-of-the-art manufacturing facilities with nine modern plants in India and three plants in Mexico. We expanded our on-ground network by adding over 600 channel partners this year. In addition, our brand shop network grew exponentially to over 650 shops. The year also saw us grow a healthy market presence abroad.

Key facts

- 110**
Countries market presence
- 12**
Manufacturing plants
- 32 Mn**
tyres per annum
Production capacity

Distribution network in India

- 140**
Sales, service and stocking points
- 600 +**
Brand shops (Steel Wheels and Xpress Wheels)
- 6,000+**
Dealers
- 1,000**
Fleet operators
- 20** Regional offices | **4** Zonal offices
- 350 +**
Distributors
- 50 +**
JK Tyre Truck Wheels service centres with complete tyre solutions
- 50 +**
JK Retread Centres for retreading services
- 30+**
Farm Xpress wheels – total exclusive farm brand outlets



Our customers

Catering to marquee OEMs

We are a partner of choice for respected automobile brands in the commercial and passenger vehicle categories. Our ability to understand and meet their evolving needs has earned us their abiding trust and unstinted loyalty. During the year, we registered strong growth in our OEM business, which was backed by our amplified participation in new vehicle models.



TRUSTED BY
LEADING OEMs

OEM Customers

India

Commercial Vehicles

- Ashok Leyland
- Daimler India (Bharat Benz)
- JBM Auto
- Mahindra & Mahindra
- SML Isuzu
- Tata Motors
- Tata International
- VE Commercial Vehicles
- VOLVO India
- Force Motors

Passenger Cars

- Bajaj Auto
- Force Motors
- Honda Cars India
- Hyundai Motor
- Kia Motors India
- Maruti Suzuki India
- Mahindra & Mahindra
- Tata Motors

Tractors

- Captain Tractors
- CNH INDUSTRIAL
- Escorts
- Indo Farm Equipment
- International Tractors
- John Deere
- Mahindra & Mahindra
- Preet Tractors
- TAFE Motors & Tractors
- Tractors & Farm Equipment

2/3 Wheelers

- Bajaj Auto
- Hero MotoCorp
- TVS Motors

2W EVs

- Benling India Energy
- Coslight India
- Electrotherm India
- Jitendra New EV-Tech
- Sawhney Impex
- Varcas Automobiles
- Warivo Motor

OTR

- | | | |
|--|--|--|
| <ul style="list-style-type: none"> • BEML • JCB • Action Construction Equipments (ACE) • Escorts | <ul style="list-style-type: none"> • Tata Hitachi • L&T Construction • SANY India • Bull Machines • Doosan Bobcat India | <ul style="list-style-type: none"> • Indo Farm Equipment • Liugong India • Terex • SCHWING Stetter India • Ammann India |
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Mexico

Passenger Cars

- Nissan
- Honda

Tractors

- Case New Holland
- John Deere

US

Tractors

- Mahindra

Our products

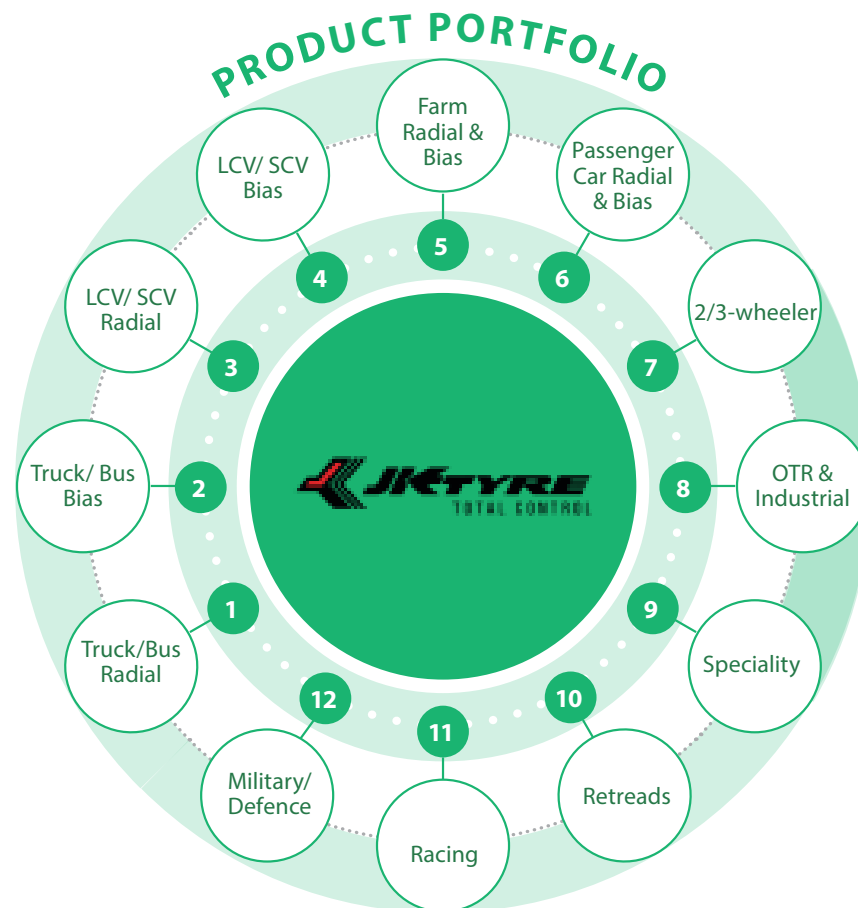
A richly diverse product range



HIGH-PERFORMANCE TYRES FOR TOTAL CONTROL



We manufacture and market automotive tyres, tubes and flaps. Our constant innovations in the radial range have sustained our market leadership over the past four decades. Both our Smart tyre and Puncture Guard launches have reaffirmed our innovation strength, technical expertise and our position as a market trend setter. We have developed a new range of speciality products to cater to the EV segment. We continue to invest in R&D to offer our trade partners and customers new-age tyres manufactured sustainably.



Unique technology for unique products

Puncture Guard technology

It heals itself and delivers the same performance as a fresh tyre each time. Puncture Guard tyre technology is an automated process, healing the punctures multiple times and offering hassle-free ride throughout the life of the tyre without air loss.

Key features

- Ensures greater safety for tyres and vehicles
- Long-term durability in the face of multiple punctures
- Reduced maintenance costs

Smart tyre

Inbuilt sensors and cutting-edge technology provides real-time information about the health of the tyres. A one-of-a-kind technology-based tool geared toward smart monitoring and maintenance of tyres.

Key features

- Monitors temperature and tyre pressure and enhances tyre life
- Helps reduce carbon emissions
- Monitors overall vehicle health to ensure a smooth driving experience
- Keeps tyres and vehicles safe and avoids breakdown



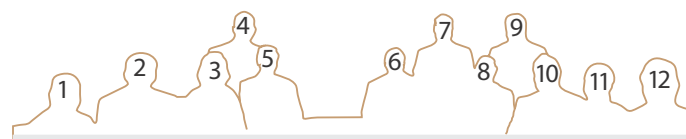
Board of Directors

Leading the transformative journey



- 1 **Bakul Jain**
Director
- 2 **Vimal Bhandari**
Director
- 3 **Sunanda Singhania**
Director
- 4 **Arun K. Bajoria**
Director & President –International Operations
- 5 **Shreekant Somany**
Director
- 6 **Dr. Raghupati Singhania**
Chairman & Managing Director

- 7 **Anshuman Singhania**
Managing Director
- 8 **Bharat Hari Singhania**
Director
- 9 **Kalpataru Tripathy**
Director
- 10 **Arvind Singh Mewar**
Director
- 11 **Meera Shankar**
Director
- 12 **Dr. Wolfgang Holzbach**
Director



Board summary

58.33%
Independent Directors on the Board including 1 Independent Woman Director

6.52 years
Average tenure of Independent Directors

4/5
Committees are headed by Independent Directors

98%
Average attendance in Board meetings



Board of Directors

Board profile

Dr. Raghupati Singhania,

Chairman & Managing Director

Dr. Raghupati Singhania, 75 years, is an industrialist with close to 56 years' experience in managing various industries including Automotive Tyres and Tubes, Power Transmission, Automotive Belts, Oil Seals, Industrial Electronics, Steel Products, and others. He is on the Board of various well-known public limited companies and is Chairman of J.K. Fenner India Ltd. and Cavendish Industries Ltd. He is the former Chairman of Automotive Tyre Manufacturers Association and former President of PHD Chamber of Commerce and Industry. He is also associated with a number of institutes involved in medical research and education, besides serving a number of trade and industry bodies such as CII, ASSOCHAM and CAPEXIL in various capacities.

Dr. Singhania, a promoter Director, has been on the Board of the Company since 1967 and as Managing Director of the Company since 1975. Under his sage leadership, the Company, which began with a manufacturing capacity of 5 Lakhs tyres in 1977, has grown into one of the Top 25 tyre companies in the world with a manufacturing capacity of 320 Lakhs tyres per annum (including 100 Lakhs tyres/annum capacity of Cavendish Industries Ltd.) and 12 plants (9 in India and 3 in Mexico). Dr. Singhania was inducted into

the 'TIA Hall of Fame 2015' on November 2, 2015, the highest honour in the global tyre Industry. The Tyre Industry Association (TIA), USA, has acknowledged his distinguished and exemplary service to the industry. He is the third Asian to receive this coveted award in the last three decades. He has also received the Leadership Award from the Indo-American Chamber of Commerce. During FY 2018-19, the President of Mexico conferred on him the Mexican Order of the Aztec Eagle, the highest distinction awarded by the Mexican government to foreigners. Dr. Singhania was recognised as 'The Extraordinaire' for his leadership and contribution to the industry by Brand Vision Summit 2018. He received the Lifetime Achievement Award 2019 from the Udaipur Chamber of Commerce and Industry (UCCI) and the Lifetime Achievement Award at Manufacturing Today India Conference & Awards 2019. Dr. Singhania has been also recognised as "Business Leader of Decade" by Indo American Chamber of Commerce in the year 2022. He was also conferred the Doctorate of Science by Mohanlal Sukhadia University, Udaipur for his outstanding contribution to education, training and research in the fields of Elastomer, Polymers and Tyres.

Shri Bharat Hari Singhania,

Director

Bharat Hari Singhania, 84 years, is an industrialist with over 61 years of experience in varied fields including Cement, Automotive Tyres, Paper, Jute, Synthetics, High-yielding Hybrid Seeds, Audio Magnetic Tapes and so on. He is also President of J.K. Organisation. He has vast experience and deep knowledge in the areas of sustainable and long-term financial structuring, policy planning, corporate governance practices, strategy and other long-term developmental activities. He is a promoter Director of the Company and has been on the Board of Directors since 1987 and as Managing Director since 1994. Effective October 1, 2021, he is a Non-Executive Director of the Company. He has been Chairman/Director of several companies, former President of the Indian Chamber of Commerce

and Chairman of Indian Jute Mills Association. He also headed the Indian Jute Industries Research Association and served on various government committees and participated on various overseas delegations. He also heads various philanthropic organisations of the JK Group such as Lakshmipat Singhania Education Foundation, Lakshmipat Singhania Medical Foundation and Pushpawati Singhania Hospital & Research Institute. He is actively associated with many other academic Institutions run by the JK Group and remains passionate about promoting educational institutions, healthcare, cultural and philanthropic activities.

Shri Vimal Bhandari,

Director

Vimal Bhandari, 63 years, holds a Bachelor's degree in Commerce and is a Chartered Accountant. He joined the Board of Directors of the Company in the year 2011. He has over 35 years of experience as a senior management professional in the financial services industry. He is Executive Vice Chairman & CEO of Arka Fincap Limited and also Chairman of HDFC Trustee Company Ltd., besides holding directships in some other well-known companies. He is an Independent Director on the Board of the Company and brings with him rich experience in financial and commercial matters.

Smt. Meera Shankar,

Director

Meera Shankar, 71 years, had an illustrious career spanning over 40 years in the Indian Foreign Services. She served as India's Ambassador to Germany and the USA among other key roles. She also served in the Prime Minister's Office for six years, working on foreign policy and security matters. Thereafter, she led the Commercial Wing in the Indian Embassy in Washington as Minister (Commerce) till 1995. She returned as Director General of the Indian Council of Cultural Relations, overseeing India's cultural diplomacy. She has had extensive experience in South Asia, having worked in Bangladesh, Sri Lanka and the Maldives as Under Secretary and Deputy Secretary in the Ministry of External Affairs. As Joint Secretary, she headed divisions dealing with many of India's SAARC neighbours and as Additional Secretary, she handled the UN and international security issues. She joined the Board of Directors of the Company in the year 2020.

She is an Independent Director on the Board and brings with her, besides her wide knowledge and rich experience in international policy and security matters, a diverse perspective in Board deliberations.

Shri Bakul Jain,

Director

Bakul Jain, 67 years, holds a Bachelor's degree in Commerce and also holds a Master's degree in Business Administration from Switzerland. He joined the Board of Directors of the Company in the year 1989. He is an industrialist with over 43 years of experience. He is presently the Managing Director of DCW Ltd. He is an Independent Director on the Board and brings with him decades of commercial and industrial experience.

Shri Anshuman Singhania,

Managing Director

Anshuman Singhania, 42 years, joined the Company as an Executive on January 1, 2007 and has since been deeply involved as an Executive Vice President (Operations), Whole-time Director and as Deputy Managing Director in the areas of strategic planning, manufacturing & technology, product development, expansion (organic and inorganic), quality control, technology services, business process re-engineering, corporate governance, risk management, marketing and sales, IT services including latest tools of data analytics, etc. He is a promoter Director and has been on the Board of the Company since 2016. He has undertaken transformative initiatives which include supply chain management, sales force plant automation, IT, ERP & SAP implementation and so on. He is closely involved with R&D and product development. He is a graduate BBA (Hons., Business and Management degree) and also holds a postgraduate diploma from International Management Institute, New Delhi, and is an alumnus of London Business School, where he undertook the Emerging Leaders Programme in 2011. He has served Standard Chartered Bank-UK; Free Markets- Singapore; Ernst & Young-Delhi as a management consultant.



Board profile

Shri Kalpataru Tripathy,

Director

Kalpataru Tripathy, 50 years, holds a Bachelor's degree in Science. He is also a Law Graduate and holds a postgraduate diploma in International Business Laws. He joined the Board of Directors of the Company in the year 2010. He is a Member of the Bar Council of Delhi and has rich experience of over 25 years in diverse corporate legal matters. He is an Independent Director on the Board of the Company and brings with him rich experience in legal and corporate governance related matters.

Smt. Sunanda Singhania,

Director

Sunanda Singhania, 69 years, is a member of the Managing Committee of Pushpawati Singhania Hospital & Research Institute (PSRI Hospital) since its inception about 26 years back. Ever since, she has been responsible for the development of PSRI Hospital, Southeast Asia's first super speciality hospital for Liver, Renal & Digestive Diseases. PSRI has since been developed into a multi-speciality hospital and is one of the leading hospitals in India. For the past 33 years, she is also overseeing affairs of Indica Travels & Tours Pvt. Ltd., a Travel House providing comprehensive services relating travel and tours. She joined the Board of the Company in the year 2014 and is a Non-Executive and Non-Independent Director on the Board of the Company. She brings with her rich experience in the areas of community service, sustainability and corporate social responsibility.

Shri Arvind Singh Mewar,

Director

Arvind Singh Mewar, 77 years, holds a Bachelor's degree in English Literature, Economics and Political Science. He has also studied Hotel Management in the UK. He joined the Board of Directors of the Company in the year 1975. He is an entrepreneur, a well-known hotelier and is the Chairman and Director of HRH Group of Hotels, Udaipur. He is former Maharana of Udaipur. He is an Independent Director on the Board of the Company and brings a diverse perspective in Board deliberations, particularly in the areas of business philosophy and community service.

Dr. Wolfgang Holzbach,

Director

Dr. Wolfgang Holzbach, 72 years, holds a Doctorate Degree in Natural Science. He joined the Board of Directors of the Company in the year 2012. He has had a long and distinguished career of 31 years with a leading international tyre company, where he was responsible for various strategic areas including Material Development, Quality Management, Manufacturing, Engineering and Technology. Besides his deep knowledge and rich experience in manufacturing and tyre technology, he brings to the table an international perspective. He is an Independent Director on the Board of the Company and brings with him diverse experience in the areas of technology, quality, manufacturing, and safety in the tyre industry.

Shri Shreekant Somany,

Director

Shreekant Somany, 73 years, a Science graduate from the University of Calcutta. He trained at SIMILOR SA, Geneva (Switzerland) in faucet manufacturing. He pioneered the revolutionary 'High abrasion technology' called VC SHIELD for tiles and holds the honour of making SOMANY the first Indian ceramic tile company to receive a patent under the Indian Patent Act. Shri Somany is a recipient of the prestigious Corporate Technical Achievement Award from the American Ceramic Society in the field of ceramics. He is an Industrialist with over 53 years of experience in managing and running manufacturing enterprises and is presently Chairman & Managing Director of Somany Ceramics Ltd. He is associated with various industry bodies. He is the Founder and past Chairman of Confederation of Construction Products and Services (CCPS); past Chairman of Indian Council for Ceramic Tiles and Sanitary ware (ICCTS); past Chairman of the Confederation of Indian Industry Northern Region and former President of the Indian Ceramic Society. He is a member of the CII National Council; Chairman of CII National SME Council; and member of various other councils of CII. He joined the Board of Directors of the Company in the year 2016. He is an Independent Director on the Board of the Company and brings with him rich commercial, marketing and industrial experience.

Shri Arun K Bajoria,

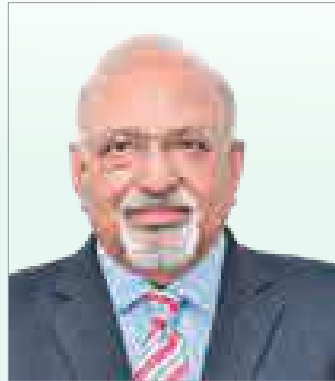
Director & President – International Operations

Arun K. Bajoria, 77 years, holds a Bachelor's degree in Mechanical Engineering from BITS Pilani and a Diploma in Advance Management from the London Business School. He has attended a course on 'Mergers & Acquisitions' at Wharton Business School. He has been a Whole-time Director since January 20, 2010. Prior to his current role as Director & President-International Operations, he was President of the Company since 2003. Earlier, he was President & Director of Vikrant Tyres Ltd., erstwhile subsidiary of the Company. He joined the Company in 1997, when the Company acquired Vikrant Tyres Ltd. and was instrumental in turning it around into a profitable entity. He brings with him his rich experience of managing and running manufacturing companies for over 55 years.



Management team

Experienced guidance at every step



Mr. V.K. Misra

Technical Director

Experience: 50 years+

Core competency: Responsible for overall control of technology issues including new product development and supporting the Company's expansion and modernization plans.



Dr. R Mukhopadhyay

Director- R&D

Experience: 48 years+

Core competency: Rich experience in research in Rubber Science and Tyre Technology as also education.



Mr. A.K. Kinra

Financial Advisor

Experience: 49 years+

Core competency: Rich experience in financial, commercial and corporate matters.



Mr. Sanjeev Aggarwal

Chief Financial Officer

Experience: 32 years+

Core competency: An experienced Chief Financial Officer with a demonstrated history of working for several industries. Well-versed in raising equity funding, long term debt, working capital management, trade finance, overseas acquisitions, etc.



Mr. P.K. Rustagi

Vice President (Legal) & Company Secretary

Experience: 44 years+

Core competency: Rich experience in corp. legal & governance matters. Held positions in expert Committees of CII, ASSOCHAM & ICSI. He is Co-Chairman of Corp. Affairs Committee of PHD Chamber of Commerce.



Mr. Srinivasu Allaphan

Director- Sales and Marketing

Experience: 24 years+

Core competency: Exhaustive experience in the Indian automotive industry, with senior leadership programme from the Wharton Business School.



Mr. Anil Makkar

Manufacturing Director

Experience: 42 years+

Core competency: Has boosted our manufacturing capabilities for all India and Mexico locations. A winner of many prestigious awards and published research papers on tyre uniformity and imbalance.



Mr. Bharat Aggarwal

Head- International Trade

Experience: 20 years+

Core competency: Rich experience in international sales & marketing, strategic planning, product management and business.



Mr. Sanjiv Saxena

Senior VP – Corporate Accounts

Experience: 34 years+

Core competency: Rich experiences in finance, corporate accounts, direct & indirect taxes. He is a fellow member of the Institute of Chartered Accountants of India and part of various leadership and management programmes in academic institutions.



Mr. Ashish Pandey

Vice-President, Materials

Experience: 26 years+

Core competency: Experience in every aspect of materials management from raw material planning & procurement, project purchases, outsourcing of goods & services. He has been a change manager for integration of JK Tyre's first overseas acquisition at Tornel, Mexico.



Mr. Harischandra Prasad

VP (W), CIL

Experience: 27 years+

Core competency: He is one of the well-known Operations Managers with rich professional experiences with renowned companies.



Mr. Pravin Chaudhari

Executive Director -JK Tornel Mexico

Experience: 30 years+

Core competency: He holds a Bachelor's degree in Production Engineering and also completed MSc in Manufacturing Systems Engineering from university of Warwick

Awards and accolades

In recognition for our efforts



CII Active Customer Engagement award – a first in the tyre industry



Brand of the Decade 2021



First and only Tyre Super brand in the country for the 8th time in a row



Globe of Honour (GOH) Award to Kankroli, Vikrant & Chennai Tyre Plants by British Safety Council (BSC)



UCCI Excellence Award 2022 in CSR



India's Most sustainable Companies – Top 30



4th edition

Economic Times Iconic Brand award 2021



Certified as Great Place to Work" 2021-22, for the 3rd consecutive year



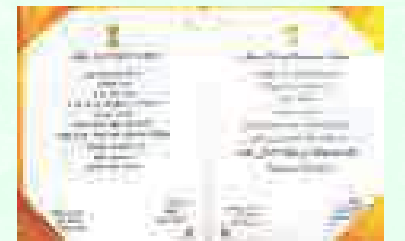
Recognised as one of India's 30 Best Workplaces in Manufacturing – 2022 - Certified by Great Place to Work



CII National Energy Management Award 2021



CII National Award for Excellence in Water Management 2021



National Energy Conservation Award 2021 by BEE, Ministry of Power, GoI



From the Chairman and Managing Director's desk

Looking ahead with confidence



Dear Shareholders,

I am delighted that JK Tyre is presenting its first ever integrated annual report which is a part of Environmental Social Governance endeavours built around our 5 P platform i.e. People, Planet, Process, Product and Prosperity.

At JK Tyre, we did not let down the guard during the two waves of the pandemic. We continued to provide the safest possible environment for our people in accordance with our values of 'Caring for People'. This time, apart from following strict pandemic protocols, the 'Mission 100% Vaccination' was aggressively implemented to ensure that our people, our business partners and their families were fully vaccinated. We drove greater engagement with our stakeholders through the virtual and physical mode, to ensure their physical and mental well-being. However it is with sadness I bow my head in memory of some of our colleagues who lost the battle against COVID. The JK Cares program was implemented which supported and engaged the families while mitigating their economic loss.

The year that was

The overall business environment was very challenging during the year with its share of ups and downs. On the back of higher efficiencies, deft cost management, a de-leveraged balance sheet, strategic marketing efforts and an enhanced channel reach supported by digital enablers, we were able to achieve our highest ever Turnover.

We recorded progress despite the headwinds faced by the automotive industry including supply side constraints that led to immense inflationary pressures on input prices. Rising input prices led to substantial cost escalations which could not be fully passed on in the market place, thereby impacting margins and overall profitability.

Smart technology leadership

The automobile sector is undergoing major disruptions in powertrain technology and mobility options. None the less our ability to continually innovate our product offerings and services, with breakthrough technologies has helped us tremendously. During this period we rolled out the 25 millionth TBR tyre which is yet another milestone and

signifies our pioneering leadership. Many innovative products like Puncture Guard tyre with self-sealing properties were introduced and the year saw further traction for our Smart Tyres which was backed by aggressive marketing and sales efforts. We were also able to come up with new offerings across segments, which has made us a partner of choice of major OEMs. This has been possible due to our sustained efforts in our R&D and Technology development.

The Company's robust export performance continued its upward trajectory by recording 59% higher sales. The growth drivers were aggressive sales efforts, introduction of technologically advanced, and market specific products across all regions. The strong product and regional mix ensured profitable growth which was achieved in spite of the disruptions in shipping and global supply chain as well as intensified geopolitical uncertainty.

JK Tornel & Cavendish Industries

Our subsidiaries, JK Tornel, Mexico and Cavendish Industries Ltd. (CIL), have performed well during the year with each of them recording their highest ever turnover ever since their acquisition. JK Tornel achieved an impressive growth of 86% over the last year while CIL clocked a growth of 16%.

Sustainability at the heart of enterprise

It is highly satisfying that we kept sustainability at the heart of our growth journey. As a responsible global tyre manufacturer, JK Tyre continued on the journey to build a sustainable society by balancing our operations through 6'R' strategy viz. **Reduce, Reuse, Recycle, Renew, Redesign and Remanufacture**. We are committed to the goal of being a Green and Clean Company with sustainable use of green energy, green technology in manufacturing and reduction in dependence on fossil fuels.

As an outcome of these efforts our carbon emission intensity has reduced by 57% in the last 8 years. JK Tyre is one of the lowest three, in the world on energy consumption in the tyre industry. The Company has increased the usage of bio mass in its fuel mix to 22% and the use of renewables in its power mix to 53%. We continue to be a global benchmark for having the lowest raw water use, per kg of tyre produced. Also we remain a 'Zero Waste to Landfill' company and have eliminated the use of single-use plastics at our plants.

I am equally proud of the fact that despite the turbulence during the year, we stood steadfast to our commitments towards our people and the larger community especially the marginalised, as we continued to provide support through our well-structured and multifaceted Corporate Social Responsibility programs.

Looking ahead

I am proud of the entire JK Tyre, CIL & JK Tornel teams who displayed remarkable resilience as they braved hardship, manifold disruptions and dealt with the new normal with equanimity. This has surely enabled the Company emerge stronger, bigger and better.

We are faced with a dynamic and evolving business environment, including new regulatory requirements, that are being imposed on the tyre industry which requires us to remain agile and responsive. I assure you that with our technological prowess and human capabilities we will continue to drive Smartly into the future while sustaining our endeavour to deliver greater value for you.

I thank you for your trust as always,
With best wishes

Dr Raghupati Singhania,
Chairman and Managing Director



From the desk of the Managing Director

Making smart choices for the future



Dear Shareholders,

I am happy to share our first Integrated Annual Report for the period 2021-22. This reflects our mindset to grow as a future ready organisation in a sustainable manner. We are a green tyre manufacturing company, and continued to progress in our objective to promote advanced and sustainable manufacturing practices through investments in automation and digitalisation. It is a matter of pride that JK Tyre is among the top 30 India's Most sustainable Companies.

The Year Gone By

Numerous challenges were thrown at us during the year including the two consecutive surges of the COVID-19 pandemic. Working with great speed and efficiency, business operations were sustained with safe-work protocols for our employees and business partners. We also undertook successive vaccination drives for our people, their families as well as channel partners. Every effort was made to contain the socio economic loss under the aegis of the JK CARES program to support the family of employees who have lost their life during this pandemic.

Achieving milestone growth

The business volatility ranged from high fluctuations in demand and supply, to a sharp rise in increasing input cost. Age-old wisdom tells us that while it is not possible to change choppy seas or the direction of strong winds, surfing the waves by adjusting the sails enables one to journey ahead. Dynamic planning and quick responses, driven by a customer-centric approach enabled JK

Tyre's agile navigation through an uncertain business environment.

The result of the strategic efforts, is reflected in the highest ever turnover of more than ₹12,000 crores, while registering a high growth of over 31% on a consolidated basis. This has been achieved with higher sales in the domestic markets coupled with highest ever exports. We have sustained our radial leadership by crossing the 25 million landmark in TBR. High capacity utilisation with higher operational efficiencies are an outcome of various transformational initiatives which were undertaken in the recent past. Our stupendous performance in FY 2021-22, was surely an outcome of our strategy to become a leaner, smarter enterprise.

Smart balancing of goals

Deleveraging the balance sheet has been a prime focus of our strategy to get leaner. As a result of our granular planning, we saw our finance cost for FY 2021-22 go down on a y-o-y basis by 10%. We remain committed to reducing our long-term borrowings significantly in the next three years.

Customer centricity

At the heart of all our efforts has been our customer centric initiatives. Despite the difficulties, we continually engaged with them digitally and physically even at the remotest locations. We leveraged AI technology for digital transformation of our tyre complaint management process resulting in our service capability improving exponentially and a vastly superior customer experience. Today, the reach of JK Tyre products and services covers over 90% of India by geography.

Our Fleet management 2.0 program as well as advanced mobility solutions were well received by our customers.

It is a matter of great delight that our focussed efforts have led to, JK Tyre became the first

tyre brand to be recognised with the Active Customer Engagement award by CII.

JK Tyre a premium brand

During the year a differentiated and premiumised approach was adopted in our marketing and communication strategy with strategic media presence and amplification through digital and social media.

JK Tyre was recognised through the year through numerous brand awards including the "Brand of The Decade" Award.

Innovation – Our backbone

The year also saw us leverage our innovative strength to come up with new premium product offerings across each segment many of which were launched across categories for all market segments. We are offering novel solutions to our customers across the new and challenging frontiers of mobility. Significant R&D investments have enabled us to come up with tyres to suit the needs of the growing EV ecosystem including electric buses which are powered by our Smart tyres.

Advanced predictive tools for new product development as well as our partnerships with top academic institutes within India and abroad have helped revolutionise tyre technology and our service offerings. Technology adoption has enabled enhancement of our manufacturing productivity as well as reduction of resource consumption which is aligned with our sustainability mission.

Focus on growing sustainably

Energy efficiency, resource conservation and water management are at the core of our value system.

We are also building a transformative workplace with a sustained focus on training, capability building, succession planning.

We are promoting a Zero Accident and high safety culture. Resultantly JK Tyre is recognised once again as India's Best Workplaces in Manufacturing for year 2022 by 'Great place to work'.

As a responsible corporate citizen, we have undertaken measurable, impact-driven CSR activities that enhance social equity, which directly impacted the lives of nearly a lakh people in the fields of livelihood, healthcare, education, access to clean water and sanitation.

Future outlook

We look forward to strong demand across all market segments given the improved economic scenario. Revival in the automotive sector, strong infrastructure spending by the government, and improved CV demand are positive indicators. Inflationary pressures and supply side constraints may however continue to compromise the margins.

To capitalise on growth opportunities, we are ramping up and optimising our capacities wherever required.

We will continue to be led by our focus areas of sustainability, corporate responsibility, technology enabled manufacturing and growing a strong digital backbone. We could not have accomplished the milestones for this year without the astounding support of our people, the senior management and the guidance of the Board. At every step of the way, we have been fortunate to have the confidence of all of you. We look forward to your continued encouragement and support, as we drive smartly into the future.

With best wishes to you and your families,

Anshuman Singhania
Managing Director

Value creation

Securing the interests of our stakeholders

JK Tyre OTR Plant, Mysuru

We endeavour to create sustained value for our stakeholders by effectively mitigating risks to our business and identifying opportunities for growth. We have formulated a growth strategy that keeps sustainability at its heart while generating value through product innovation, efficient resource management, prudent capital allocation and systematic growth across segments and markets.

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Business model

How we create value



Inputs

Financial capital

Equity: ₹2,947 Crores
Cash: ₹94 Crores
Total Debt: 5,115 Crores
Capital expenditure over the last five years: ₹~1,500 Crores

[Read more in Prosperity chapter](#)

Manufactured capital

Manufacturing units: 12
Offices: 24
Brand shops: 650+
JK Tread Centres: 50+

[Read more in Product chapter](#)

Intellectual capital

R&D spend over the last five years: ₹554 Crores
Total R&D centres: 2
R&D partnerships: 14-year-old research partnership with IIT Madras, Long term contract and onsite team at Natrax Testing Centre.

[Read more in Product chapter](#)

Human capital

Total employees: 5,895
Training hours imparted per employee: 42.73 hours
New hires: 346
 Diversity (gender or otherwise)

[Read more in People chapter](#)

Social and Relationship capital

Dealers: 6,000+
Total CSR spend: ₹5.04 Crores
Dealer programs: JK Tyre Advantage is a relationship programme which recognises tyre and road safety for its esteemed channel partners.

[Read more in People chapter](#)

Natural capital

Energy consumed: 8.83 GJ/Ton
Water consumption: 1.72 Liters/Kg
Total renewable energy consumption: 29%
Materials consumed: 0.49 Million tonnes
Natural rubber consumption: 1,50,484 Tonnes
Recycled rubber consumption: 4,268 Tonnes

[Read more in Planet chapter](#)

Vision: To be amongst the most trusted companies with a global tyre brand.

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Processes

Research, innovation and product development	Responsible procurement	Manufacturing
	Branding and marketing	Distribution and logistics

Strategic focus areas

5Ps

People | Plant | Process | Product | Prosperity

Strategic objectives

Strengthen market position across segments	Deleverage balance sheet	Portfolio premiumisation
	Increase global business share	Maximising benefits of acquisitions

Outputs

Total production volume across categories (CV/PV tyres or others)

Outcomes

Financial capital

Revenue: ₹12,020 Crores
PBT: ₹309 Crores
PAT: ₹201 Crores
EPS: ₹8.53 per share
Contribution to exchequer: ₹933 Crores

Manufactured capital

Total number of product categories: 11
Tyre sales volume: 5,33,569 MTs

Intellectual capital

New products launched in FY 2021-22:
 1. JETSTEEL JDH XM
 2. JETWAY JUC XM
 3. JET POWER 100
 4. JUMBO KING+ HD
 5. JET XTRA XLM
 6. UX TOURING
 7. OHT Category Tyres
New patents received: Fins technology, new circumferential groove

Human capital

81.50% of employees associated with the Company for >5 years
6.22% attrition rate

Social and Relationship capital

Channel partner engagement: Extended across the country to 6000+ dealers
CSR beneficiaries: 10 Lakhs + cumulative

Natural capital

CO₂ emission reduction: 6%
Total water recycled: 60%

Contribution to UN SDGs





Stakeholder engagement

Creating enduring relationships

At JK Tyre, we stay engaged with our internal and external stakeholders who are fundamental to the success of our business. We proactively seek their valuable insights to understand their needs and expectations. These go a long way in helping us address emerging trends, manage and mitigate business risks and make use of existing market opportunities. Our key stakeholders are identified based on the value and expectations generated by them and their impact on the business.

We believe an effective stakeholder engagement process is necessary to achieve our business and sustainability goals and promote inclusive growth. Identifying and mapping the relevant internal and external stakeholders are key to this process. Established systems and processes help us identify, prioritise and address the needs and concerns of our stakeholders across all plant locations and other sites of operations. Various engagement processes such as customer satisfaction surveys, supplier meets or visits to plants, employee engagement events, regular meets with dealers and investors help us stay in touch with our stakeholders and develop strong relationships with them. This has created a win-win situation for us as this relationship contributes to and supports the development of each other.



Stakeholder education on tyre safety

Understanding stakeholder concerns

	Stakeholder	Frequency of engagement	Engagement mechanisms	Key concerns raised	Feedback mechanism
	Employees	Weekly; Monthly; Annual Need-based e-mail communication	Monthly organisational V connect, addressed by the top management, eTown Hall meetings, focused group discussions; training; communication; displays; monthly publication SAMVAAD Employee onboarding App-based learning	Employee wellbeing, career development; grievance mechanisms; communicating policy decisions New initiatives, policies and organisational progress. Industry scenario	Performance appraisals; Satisfaction surveys, Sales Smart app field personnel
	Customers	Annual, Periodic, Need based	Customer meets; One-on-one interactions; feedback surveys; End user education in digital mode, digital warranty settlement, fitment surveys	Complaints handling; product development feedback	Customer satisfaction surveys and communicating with customer
	Institutional Buyers – OEM defence/STUs	Ongoing Weekly, Monthly	Key account management	Operational matters and New Product Development	Interactive communication
	Community	Annual, Need based	Direct interactions with community leaders, NGOs	Education; skill development; health & hygiene; women empowerment	Interactions; surveys
	Vendors/Suppliers	Half-yearly; Annual	Supplier meets; vendor analysis	Quality and timely delivery; EHS and social policy deployment	Satisfaction surveys; vendor rating
	Channel partners	Ongoing, Weekly Annual, Monthly, Need based	Channel partners in digital mode, new channel partner onboarding, dealer meets; one-on-one interactions; audits; Training JK Tyre Dealer Clubs	Customer relationships; Product knowledge	Satisfaction surveys JK Connect – portal-based communication
	Statutory Bodies	Need based	Interactions: Industry forum meets	Compliance; Industry concerns; Government expectations	Interactions
	Shareholders	Annual; Quarterly, Need based	Investor meets, Investor grievance forums AGM, Annual Report	Strategy and performance; Compliance; feedback on actions implemented	Meetings; Action plans



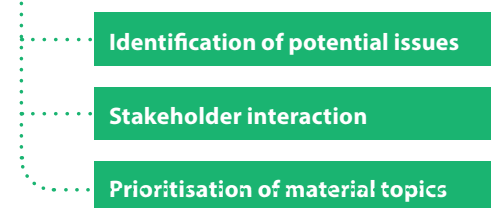
Material topics

Issues integral to value creation

We have identified the issues which are of relevance to our stakeholders over the short, medium and long term and which impact the organisation’s ability to create value. Addressing these issues is an essential part of our business strategy and risk mitigation efforts.

We review the progress on material aspects concerning our stakeholders on an on-going basis and communicate the progress on the same through various channels. Periodic discussions, reviews with the Board and its committees, focus our attention on prioritising and meeting the expectations of the stakeholder fraternity. Our 5P strategy encompasses all these.

Materiality assessment process



Identification of potential issues

We conducted an extensive review of literature to identify issues considered as material and identified as risks by our business peers. We also tried to understand expectations expressed in international standards and agreements. Information was drawn from annual reports, sustainability reports and ISO 26000 guidance on social responsibility. An internal perspective on risks – as identified through organisational processes like risk assessment studies, financial reports and sustainability reports using disclosure frameworks – was considered in the process.

Stakeholder interaction

Stakeholder inclusiveness is central to the materiality determination process. A stakeholder interaction exercise was conducted across our operations, covering the senior management and mid-level management to identify and understand their concerns among the identified universe of material topics. From the above-mentioned sources, a list of all issues that could be material for our businesses was identified. Subsequently, the material topics were plotted based on their importance to stakeholders and their impact on business in a graphical representation.

Prioritisation of material topics

The materiality process resulted in the emergence of a list of material topics significant for JK Tyre – a list prioritised by the stakeholder groups we engaged with, and which reflected the sustainability context of the Company. The overall selection of the final material topics was done considering the impact that each one could create across the value chain. The reporting principles on stakeholder inclusiveness, sustainability context, materiality, and completeness were also ensured throughout the process. The set of material topics determined are the same in this report and the previous Sustainability Report. We believe that these are relevant material topics as they also reflect our vision, action plans and progress towards the diverse challenges faced by us across various aspects of sustainability.

Material topics that impact our business

5P ESG platform	Pillars	Material Topics	Contribution to UN SDGs	Capitals impacted
 People	Employee well-being	<ul style="list-style-type: none"> Employment Health & safety Training & education 		 Human capital Social and Relationship capital
	Community development	<ul style="list-style-type: none"> Local communities 		
 Planet	Resource conservation	<ul style="list-style-type: none"> Energy Emissions Water Waste management 		 Natural capital Manufacturing capital
 Process	Governance	<ul style="list-style-type: none"> Compliance Procurement practices 		 Manufacturing capital Social and Relationship capital
 Product	Customers	<ul style="list-style-type: none"> Innovation Customer centricity 		 Intellectual capital
 Prosperity	Economic performance	<ul style="list-style-type: none"> Economic performance 		 Financial capital



Strategy

Growth balanced by sustainability

At JK Tyre, we have always looked at sustainability beyond a matter of compliance. We have kept it at the core of our transformation journey that prepares us for the future ahead. Our 5P growth strategy helps us balance our capitals, create a positive impact on the environment and society and ensure that we are seen as a transparent and credible entity by our stakeholders.

Strategic objectives

Strengthen market position across segments

Our focus areas

Focus on increasing volumes across all product segments in replacement and export segment

Expanding distribution channels through exclusive brand shops pan-India to gain market share

Extensive use of digital and Artificial Intelligence based tools

Achievements FY 2021-22

1. Highest ever revenue of ₹12,020 crores with growth in all market segments.
2. Brand shops grew exponentially to 650+ and JK Retread Centers to 50+
3. For Channel partners - JK CONNECT a Virtual office/ Maximised payments in Digital payments,/ Facilitation via WhatsApp helpline
4. AI technology leveraged for digital transformation of Tyre complaint management process.

Strategic objectives

Increase global business share

Our focus areas

Enhancing geographical reach in Europe and Africa with wide product range

Achievements FY 2021-22

1. Highest ever exports of ₹1,873 crores up by 59%

Strategic objectives

Deleverage balance sheet

Our focus areas

Debt reduction by way of scheduled repayments of ~ ₹1300 crores till FY 2024 -25

Accelerated reduction in borrowings through improved profitability

Achievements FY 2021-22

1. Over 10% reduction in Outstanding Term loan.
2. Interest Cost reduced by 10%

Strategic objectives

Portfolio premiumisation

Our focus areas

Technologically advanced and eco-friendly tyres in line with market requirements

Dedicated domain experts for each category for domestic and international markets

Achievements FY 2021-22

1. Introduction of Puncture Guard Tyre, EV tyres, full rollout of Smart Tyre.
2. Developed next generation Fuel efficient tubeless TBR with low RRC
3. Premium products launched in PLT, TBB, MC and OHT range

Strategic objectives

Maximising benefits of acquisitions

Our focus areas

Substantial enhanced capacity across all product segments from the acquired companies

Achievements FY 2021-22

1. Acquired entities CIL and JK Tornel, recorded highest ever sales



Risk management

Addressing risks proactively

Risk identification and mitigation are essential to sustain our growth amid a dynamic business environment affected by market turbulence, technological advancements and shrinking raw material availability. We have a strong and prudent risk management framework to identify, assess and quantify all the possible risks and concerns that may affect the Company's performance.

We have invested suitable resources and established an organised structure for risk management, which includes formation of a Risk Management Committee involving the leadership who periodically monitor the possible risks. The outcome of the risk management reviews, deliberations, together with a detailed mitigation plan are also presented before the Board for its consideration.



JK Tyre Plant, Chennai

Uncertain global economic scenario

The pandemic severely impacted the global economy last year, but based on the year-end performance, the outlook for FY 2022-23 remains positive. However, due to high inflation and rising commodity prices, the world economy forecasts are changing. Economic growth is projected to moderate with respect to earlier projections. A sense of conservatism is coming across economies. The geopolitical situation has also prolonged the interruptions in the already weakened supply chain, leading to more uncertainties. The situation has impacted raw material supply and raised input costs. However, continued restriction on the import of tyres in the Indian market is boosting the growth of domestic manufacturers.

Mitigation:

In these times of uncertainty, we have diversified our geographical presence in the exports market. In the domestic market we have focused on channel expansion and have increased our penetration in the replacement market. This has yielded us good results in increasing our market share.

Supply chain risk

Supply chain has been impacted across the world due to multiple factors, starting from lockdowns across the countries, geopolitical conflict, trade wars as well as realignment of sourcing strategies in the new normal business environment. Chip shortage has impacted multiple sectors, one of them being automobile. OEM sales have been impacted significantly on that account. Shortages of containers and shipping lines have also put a stress on seamless movement of raw materials and finished goods, creating scarcity and rising costs. This is one of the critical risks in FY 2022-23 for the Company, both from the perspective of sourcing raw materials and ensuring uninterrupted exports.

Mitigation:

We have already taken sufficient steps to ensure such impact is minimised in our operations. We have increased our approved sources and established newer mechanisms to ensure a smooth and fast transition to alternate sources. We have also managed logistics in high-risk high-volume areas. Such alternate logistics solutions have given us a competitive advantage while helping us mitigate the risk. To ensure uninterrupted exports, we are executing long-term contracts with shipping lines/freight forwarders while exploring multiple ports to avoid supply delays to our customers.

Key
business
risks

Technology risk

The tyre industry has always been evolving to provide enhanced value to customers and suit the requirement of new-age vehicles. Stringent OEM requirements and regulatory changes have been bringing in changes in tyre technology. Today, electric vehicle adoption is rapidly growing across the world and in India.

Mitigation:

We have been working towards catering to the newer specifications of EV vehicles and already supplying such tyres. We already have a good R&D base with its dedicated product development centre and our R&D centre located at Mysuru. We are suitably positioned, with the right skills and talent, to cater to such changing product requirements, and we have been working on various tech-driven products as well. The Company is geared to meet any changing technological requirements for EVs and manage other evolving needs.

Supply and capacity risk

The global as well as Indian economy is witnessing encouraging demand growth. Healthy demand in domestic and exports markets has resulted in sound capacity utilisation with a projected need to build capacities for the future. Going forward we expect the demand cycle to go up higher on the back of CV as well as PV category OEM segment demand, induced by encouraging GDP growth and the recently announced vehicle scrappage policy.

Mitigation:

We regularly assess our capacity to devise future-fit technologies. We had kept our expansion plans on hold due to the situation created by the pandemic. However during the FY 2021-22, we have spent ₹200 crores to ensure capacity generation to meet the growing demand for our products. We shall plan further capex as per operational needs.

ESG framework

Delivering on set objectives



As a responsible corporate citizen, we are aware of the environmental impact we are creating. As a result, right from the beginning we have tried to moderate our carbon footprint while staying invested in the creation of sustainable value for society. We have drawn up an exhaustive ESG framework that helps us monitor our ESG performance against set targets. Our leadership regularly reviews our performance with respect to the 5Ps so that we can deliver on our objectives and push ourselves a step further each time.

5P ESG Framework

At JK Tyre, our commitment to environment responsibility has been centred on the 5Ps of People, Product, Process, Prosperity and Planet. The 5Ps represent our plan to drive business sustainability, and its reconciliation with our larger commitment to sustainability.



PEOPLE

- A preferred employer among tyre companies in India
- Recruitment of specialised professionals
- Increased productivity; driven by outperformance
- Prudent recruitment; declining average age of employees
- Driven by passion, youthfulness, delegation and stretch target-setting
- Focus on improving lives of people around our operations, being a socially responsible company



PLANET

- Moderated carbon footprint of the product
- Investments in 6Rs (**R**educe, **R**euse, **R**ecycle, **R**enew, **R**edesign and **R**emanufacture)
- Investment in cutting-edge technologies, enhancing manufacturing efficiency
- Preference for cleaner fuels, plants, resources and processes
- Integrated 'green' as a way of life



PROCESS

- Focus on getting more out of less
- Focus on stretch target, measurement and outperformance
- Institutionalised digitalised approach
- Investment in a futuristic world-class R&D centre
- Recruitment of specialised R&D professionals



PRODUCT

- A prominent tyre brand
- Products manufactured around the highest quality and environment standards
- Superior road grip, mileage, fuel-efficiency and terrain customisation
- End-to-end knowhow from tyre design, manufacture and quality appraisal
- Pioneered the range of radial tyre products in India
- Introduced eco-friendly green tyres with low Rolling Resistance Coefficient (RRC) in India
- Introduced smart tyres which enable maintaining correct air pressure, temperature monitoring, vehicle fuel efficiency - thus lowering carbon footprint



PROSPERITY

- Strong brand; growing revenues
- Better working capital management
- Deeper OEM relationships
- Growing after-market presence
- Declining debt
- Profitable export growth



Sustainability targets and achievements

Mapping our progress against the goals

Cognisant of the need to offset climate change and promote sustainable growth, we, at JK Tyre, have committed ourselves to the attainment of 10 Natural Capital commandments within corresponding targets. Here we take stock of our progress along this route.



ENERGY AND WATER
Reduce specific consumption of energy and water by 2-5% every year.



Energy consumption reduced by 1% from last year.
Water consumption reduced by 8% from last year.



RENEWABLE ENERGY
Increase the use of renewables, including renewable energy by 2-5% every year in place of non-renewables.



Renewable energy consumption increased to 23% from last year.



RESOURCE CONSERVATION
Increase the use of recyclables and enhance recyclability of resources used in the product by 2-5% every year.



Usage of Recycled material like reclaimed rubber, reprocessed rubber, de vulcanised and crumb rubber is 0.3% of total RM used (by value and it is 0.9% by weight).



LIFE CYCLE ASSESSMENT
Incorporate life cycle assessment criteria for evaluating new and alternative technologies and products.



As a mobility product and as a safety product, the assessment of various categories of our tyres like Truck/Bus Radial, Truck/Bus Bias, PCR etc., are done for its efficacy and adequacy and a large number of sample reference tyres are also evaluated for LCA on a regular basis.



PRODUCT STEWARDSHIP

Take the lead in promoting and managing product stewardship programme by forging partnerships with businesses and communities.



All stakeholders are engaged at every process about information and usage.



WASTE

Reduce specific generation of waste and reduce the quantum of waste going to landfills by 2-5% every year.



We have stopped the practice of waste going to landfill. All our manufacturing locations are certified as "Zero waste to landfill".



CLIMATE CHANGE

Reduce specific greenhouse gas emissions and other process emissions by 2-5% every year and explore opportunities through Clean Development Mechanism (CDM) and other Carbon Exchange Programmes.



Specific GHG emission is reduced by 6% in from last year.



RAINWATER HARVESTING

Increase the share of harvested rainwater in overall annual use of water by 2-5% every year.



Share of harvested rain water in overall annual usage is increased to 1.35% from last year.



RESPONSIBLE SUPPLY CHAIN & CLEAN TECHNOLOGY

Strive to adopt green purchase policy and incorporate the latest clean technologies.



We have formulated and implemented "Green purchase policy". Read https://jktyre.com/PDF_Corporate_Policy.pdf



NATURAL CAPITAL PRESERVATION

Reduce depletion of natural capital, which is directly attributable to JK Tyre's activities, products and services by 2-5% every year.



In order to reduce the depletion of natural capital we have established policies and procedures. Our focus areas are: water conservation, , and supporting tree plantation at our units. Our consistent efforts have led to having 8 lakh+ trees across our units. We have supported Rubber board in rainguarding in 2,400 Ha of rubber plantations . We are also building capability of rubber growers and tappers in North East States (Assam & Tripura) through skill trainings for enhancing their productivity. We are enhancing water security in communities by creating better infrastructure. In the last five years, 35 community water tanks, 10 check dams and 38 farm ponds have been developed for rainwater harvesting. We also lay emphasis on reducing fossil fuel consumption. We are certified to TS16949, ISO 9001, ISO 14001, OHSAS 18001, SA-8000, ISO- 50001, ISO-27001 standards.



Achievements

People

During the year, we deepened our ESG commitment by undertaking sustained efforts to boost the capabilities of our human capital and targeted CSR initiatives to improve the lives of our communities. While our health and safety drive was lauded globally, our efforts to secure livelihoods and water resources and empower communities through health and education earned us the sustained trust of our stakeholders.

Indoor Games at JK Tyre

MATERIAL ISSUES



Employment



Training & education



Health & safety



Local communities

CONTRIBUTION TO UN SDGs



CAPITALS IMPACTED



Human capital



Social and Relationship capital

HIGHLIGHTS

- Recognised as a 'Great Place to Work' in 2021, validating our positioning as a preferred employer
- Sustained investments in digitalisation and in enhancing per person productivity
- Received Globe of Honour Award from British Safety Council
- Total reportable accidents declined by 20% as compared to last financial year
- 10 Lakhs+ beneficiaries of CSR projects



Health & Safety

Encouraging responsible behaviour

The safety and wellbeing of our people form one of the **5Ps** of our sustainability strategy that power our long-term growth. Occupational Health and Safety (OHS) is a primary concern at JK Tyre. We follow a zero-tolerance approach towards workplace hazards. Our objective is to create a zero-harm workplace where our workers feel safe and confident to contribute their best.



Vaccination camp at JK Tyre

We have stringent and detailed Health & Safety policies and systems across all levels of the organisation. The Health, Safety, Security, Environment, and Quality (HSSEQ) policy is a testimony to the Management's commitment to uphold the highest OHS standards. The strategy emphasises continuous improvement of the safety culture within the organisation and is built along the lines of globally recognised safety standards, which are backed up by our ongoing investments in cutting-edge technology and the enrichment of our human capital.

The Company is highly committed to providing employees with a supportive, rewarding and safe work environment in line with our core value "Caring for People". As FY 2021-22 has also not remained untouched with the challenges thrown by the pandemic, we, JK Tyre, have shown "Resilience" against the difficult times once again with our various well-being and CSR initiatives such as "Mission 100% Vaccination", dedicated task teams to provide 24x7 medical emergency support and guidance through senior health specialists from Pushpawati Singhanian Hospital & Research Institute (PSRI) for employees and their families and even for our Business partners.

We are dedicated to developing, producing, and distributing our products in a way that preserves the environment, avoids work-related injury and illness, and reduces pollution for all operations

within our control. We identify risks and opportunities based on the organisational environment.

The HSSEQ policy is disclosed to all employees, those working for and on our behalf, and is made accessible upon request to all interested parties.

Safety culture

Employee protection from accidents or occupational sickness is an ongoing project at JK Tyre. We promote workplace safety and security not only through the establishment of rules and procedures, but also by raising awareness and providing relevant training. Our employees are made aware of ergonomic-related diseases and upper respiratory tract infections. We provide trainings for service providers, undertake regular risk assessments, ergonomic workshops for workers, health awareness sessions, and regular cafeteria food inspections, which have become institutional practices.

At all our sites, we ensure women's safety, disability assistance, emergency response, and preventative H&S measures that make up crucial pillars of our safety culture. We encourage employees to take responsibility for the safety of each other. We also have employee counselling services, a sexual harassment prevention policy, and grievance processing mechanisms.



Health camp at Head Office, Delhi



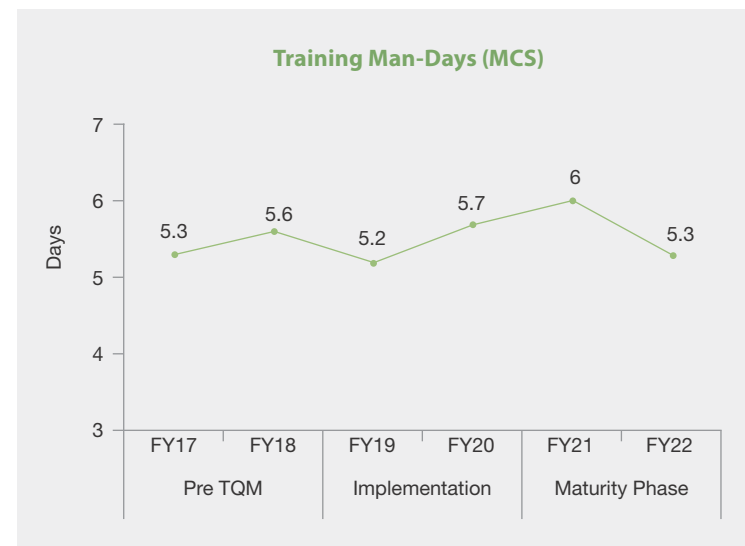
Workforce training and development

Enabling continuous learning

At JK Tyre, we strive to promote a culture of excellence by recruiting the right talent and ensuring they are able to meet the demands created by a rapidly changing business environment through adequate training and upskilling initiatives. We remain focussed on proper succession planning, and building an open, enabling work environment based on merit.

People are the foundation of our multi-decade success at JK Tyre. We have been able to maintain our industry leadership because of their unstinted dedication, expertise and knowledge. Despite the pandemic-led disruptions, we remained committed to executing learning and development initiatives without interruption. We intensified training through the digital platform in keeping with our Business, Learning & Development Strategy.

We also continued with on-the-job, competence-based functional and behavioural training, coaching and mentoring. This was supplemented by Kaizen-based, motivational programmes. The online trainings helped address and build up a large talent pool. At the same time, we kept on building the leadership pipeline with focussed trainings for high performers.



1.35 Lakhs
Cumulative Industry Experience (years)

5.5
Man-days for MCS

38 years
Average age of employees

79%
Of employees with 3+ years within the Company

3.21
Man-days per person per annum

Competency framework

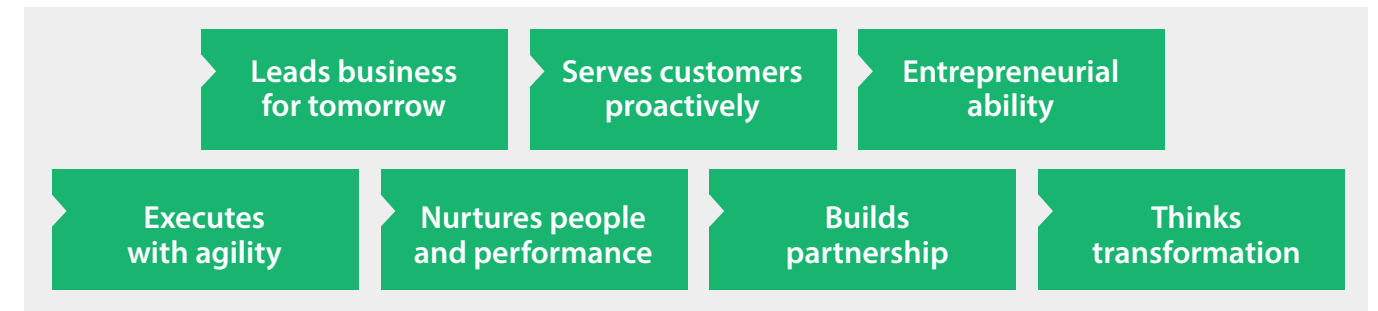
7

Competencies

4

Proficiency levels

SINGULAR COMPETENCY FRAMEWORK
for all the JKO businesses and groups



Developing the talent and leadership pipeline



LEAD

- Leadership exploration and development by Assessment Development Centre
- 10% identified talent in the organisation



Differentiated Workforce

- Initiative drawn from "The Differentiated Workforce" – by Brian E Becker, Mark A Huselid and Richard W Beatty
- 8 strategic capabilities
- 31 strategic positions
- 10% people holding strategic positions
- HR architecture for Differentiated Workforce including "Work Designs" for each strategic position



Executive Coaching

- 360-degree executive coaching by Hewitt/Human Synergistics for leadership positions



Youngage Kconnect: Mentoring

- A unique initiative for identified high performers/ talents and also for young blood – GET's & MT's



Diversity & Inclusion

Building an inclusive culture

At JK Tyre, we take pride in the diversity of our workforce that enriches the organisation with a multiplicity of experience, expertise, viewpoints and cultures. We strive to build an open, inclusive work culture where individuals can feel comfortable and confident and live the values we hold dear.

At JK Tyre, which runs global operations across 100 countries, three generations come together to form the workforce and they bring with them their diverse cultures, customs, and perspectives while promoting the shared objective of the organisation. We have long recognised that embracing a variety of perspectives and cultures fosters creativity, enhances decision-making, boosts staff productivity and retention, and results in improved customer service. Inclusion, on the other hand, fosters a collaborative, friendly, and courteous work atmosphere that encourages all workers to participate and give their best. As a result, D&I are ingrained in our corporate goals and processes. We value workplace diversity which also helps us maintain our competitive edge across various work locales.

Our HR practices contribute to the development of an inclusive, performance-oriented work culture. We encourage cooperation and mutual respect. We have attractive remuneration package for our staff and follow global work standards. We encourage employee participation in administration and collective bargaining. We value honesty and openness and promote a culture of responsibility and accountability.

We consistently benefit from the experience and diversity of our key personnel and employees, many of whom possess extensive industry expertise. As of March 31, 2022, we have 11 doctorates, 51 scientists, 511 business administration and 903 engineering/technical professionals engaged in our operations.

GenNxt at JK Tyre



Employee engagement

Our employee engagement initiatives keep our people motivated and interested in the larger goals of the Company, thus improving organizational performance and stakeholder value. We have one of the lowest attrition rates in the Tyre Industry, which shows we are able to ensure the loyalty and commitment of our employees by our empowering people practices. We have various programmes that help our staff remain engaged in connected. Most importantly, we ensure an open line of communication between the top management and the junior rungs that is crucial to building involvement and motivation.

Our initiatives to build employee connect

- Quiz Wiz
- Indoor Games & Outdoor Sports
- Celebrating festivals (Diwali, Christmas, etc.)
- Long service award
- Achievement Awards & Appreciation
- Employee Long Association Recognition

Case study

Youngage Konnect Mentoring Launch – 2021-22

To foster the culture of mentoring, we have launched the Youngage Konnect: Mentoring for Development, a six-month structured intervention for new management trainees and graduate engineer trainees.

During the year of disruption, our mentors and mentees connected virtually, collaborated and demonstrated their learnings and experiences. We are proud of this initiative as it has groomed employees in becoming adept in their respective fields of work.

Galaxy of employee connect

- V-Connect : Monthly communication and interaction platform with senior management
- Coffee with Leader - An informal platform to learn from leaders experiences
- JK Tyre Monthly E-Magazine: SAMVAAD
- Weekly E-Magazine "My COMPANY, MY INDUSTRY"
- Open house communication with teams
- Town halls

Case study

UDAAN – 2021-22

UDAAN is a JK Organization group level competition which nurtures innovation, It a platform to display talent on a common theme/ topic for presenting the idea for the respective business. JK Tyre being the flagship company of JK Organisation always wants to lead the way by means of new ideas and innovation. In this platform at a Group level, young team members are asked to brainstorm and suggest innovative business ideas and innovations.

Over the year, JK Tyre employees' involvement in such innovative idea generation has increased from 10% to 15%



Talent retention

We have a well-defined recruiting strategy and secure the retention of the finest employees via proactive measures such as career planning assistance, in addition to offering our employees attractive remuneration packages and benefits.

The Company firmly believes that talented and engaged employees are the critical differentiators as they provide the competitive advantage for sustaining and growing the business. In such a challenging environment, we have consistently focused on recruiting and on-boarding the best talent from the industry with the objective to generate superior performance.

We recognise how important skill and competencies are since it is both valuable and scarce. We have a well-defined talent management strategy to identify potential and secure the retention of the high potentials via proactive measures such as career planning and development, in addition to an industry-leading remuneration package and benefits.



List of MCS to be retained (20% to 30% of MCS)

TOP 10%

of MCS to have a CTC equal to market/competition.

NEXT 20%

of MCS to have CTC 80 to 85% of market/competition

3 TO 5 TIMES

normal increments for top performers

Career growth



Career planning

Assess career aspirations, develops and communicates a clear career growth plan, promotes from within, with 60 to 70% readiness, rather than recruit from outside



Job rotation

The career plan should include opportunities for development through job rotation



Challenging assignments beyond expectation

Identified MCS to shoulder business challenges. Support them during failures and setbacks without criticism or blame and guide them to succeed

Attrition detail

Location	Category	As on March 31, 2022	Employee left	Turnover %
Location 1	MCS (including trainees)	172	13	7.6%
	Staff/Sub-staff	646	0	
	Workmen			
Total		818	13	1.59%
Location 2	MCS (including trainees)	180	19	3.63%
	Staff/Sub-staff	1,005	24	
	Workmen			
Total		1,185	43	3.63%
Location 3	MCS (including trainees)	333	20	1.36%
	Staff/Sub-staff	1,284	2	
	Workmen			
Total		1,617	22	1.36%
Location 4	MCS (including trainees)	244	29	3.01%
	Staff/Sub-staff	1,018	9	
	Workmen			
Total		1,262	38	3.01%
Location 5	MCS (including trainees)	118	24	20.00%
	Staff/Sub-staff	2	0	
	Workmen			
Total		120	24	20.00%
Other locations	MCS (including trainees)	873	99	11.09%
	Staff/Sub-staff	20		
	Workmen			
Total		893	99	11.09%
Grand total		5,895	239	4.05%

New employees hired (HO & field sales) 2021-22

Head count	Category	Location	HO & field sales
Total no. of new employees hired	Age group	< 30 yrs	49
		30-50 yrs	40
		> 50 yrs	1
	Total		90
	Gender	Male	85
		Female	5
	Total		90

Employee attrition rate 2021-22

Head count	Category	Location	HO & field sales
Employees attrition details (No. of employees)	Age group	< 30 yrs	54
		30-50 yrs	45
		> 50 yrs	0
	Total		99
	Gender	Male	96
		Female	3
	Total		99

Corporate Social Responsibility

Empowering through care

At JK Tyre, we seek to empower communities and promote social prosperity through our CSR initiatives. We believe the long-term viability of the Company and its ability to create value are linked to how much it is contributing to the life of the communities that sustain its business. We have been involved in need-based community development efforts through our health, education, infrastructure and environmental initiatives.

The key stakeholders of our CSR programmes are communities that live in the periphery of our manufacturing units, suppliers, employees, contractors, truckers and transporters and we are committed to bringing prosperity in the areas where we operate. While planning a CSR project or selecting beneficiaries, we lay emphasis on the interests of the marginal and vulnerable sections of society, women, the elderly, children and truck drivers.

Approach to CSR

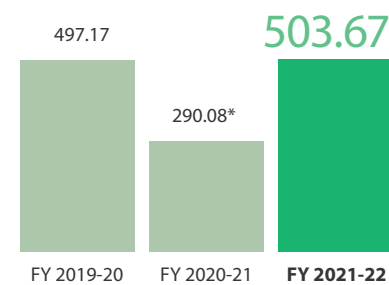
Our CSR activities are determined by the needs of the community, and we enlist the active participation of the local communities. We actively engage with local communities in identifying, prioritising and meeting their developmental aspirations through periodic needs assessment surveys. Various social research methodologies such as participatory rural appraisal, focussed group discussions, personal interviews, secondary/primary data analysis, etc., are used to identify community needs.

Our CSR projects are implemented directly or through grassroots NGOs, depending on the nature of activity and required competence. Presently, activities like adult literacy, reproductive and child healthcare projects are being implemented directly, while projects related to water conservation, livelihood, skill development, etc. are undertaken in partnership with competent NGOs.

Our CSR agenda meets the requirements of Section 135 and Schedule VII of the Companies Act, 2013 and is in consonance with most of the UN SDGs. We have a well laid out CSR Policy and the CSR initiatives are planned and implemented under the guidance of the Board-level CSR Committee and the top management. We maintain a robust feedback mechanism. Monthly, quarterly and annual progress reports are shared with the top management for their feedback and suggestions.

CSR expenditure over the last three years

(₹ in Lakhs)



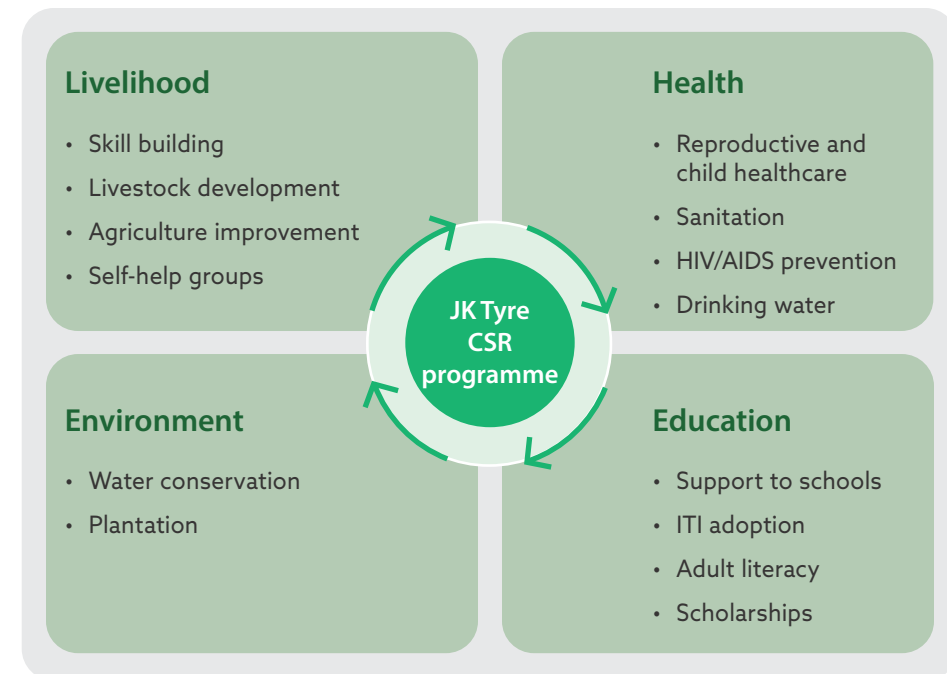
* Regular CSR activities impacted due to COVID-19 pandemic

Social impact assessment

We regularly conduct third-party impact assessment studies to measure the transformative changes brought about in the lives of people through our social projects. We also undertake individual case studies to explore how a CSR project has been instrumental in increasing overall income, whether it has inculcated health-seeking behaviour, brought a decline in infant mortality rate (IMR) and maternal mortality rate (MMR), helped conserve water for better agriculture, and other significant measurable positive changes in attitudes and behaviour. These surveys are an effective tool to record and document people's voices, assess the effectiveness of the project, its shortcomings and ways to improve project delivery. All our projects are characterised by effective planning, implementation and continuous monitoring and evaluation.



Tailoring course training at Sriperumbudur, TN



Employee volunteering

At JK Tyre, employees play a pivotal role in driving the CSR efforts of the Company through voluntary participation. They take knowledge sessions, share their technical expertise with ITI students, visit old age homes, care centres for leprosy patients and sponsor studies of students apart from devoting time during various CSR events through various structured volunteering programmes.

CSR focus areas: Livelihood

Promoting sustainable livelihood opportunities

Our livestock development programme, skill training for sustainable livelihood practices related to agriculture and non-farm activities have enabled people to effect change in their lives.

Livestock development

While agriculture forms the backbone of India's rural economy, livestock rearing also contributes to generate household income in rural India. Almost all rural households own livestock – even landless families own cattle that serve their basic nutrition needs. Livestock is often their only source of income. However, in general, milk yields are extremely low because of poor nutrition and genetic quality of the animals.

Agricultural improvement

To make agriculture more inclusive and profitable, farmers, particularly women farmers, are trained in technically advanced and sustainable agricultural practices. We also provide them access to the latest technology, high-yielding variety/seeds, fertilisers, pesticides etc., including training them in their optimum use to increase agricultural production sustainably.



Cattle breed improvement through artificial insemination

5,925

Artificial inseminations (AIs) performed during FY 2021-22, out of a total of 34,081 AIs performed

1,811

Hybrid calves have been born under the Livestock Development Programme for FY 2021-22

Floriculture

To make the agriculture more profitable, a group of 200+ women farmers were trained in floriculture in Kankroli (Rajasthan) area. There is an immense scope of floriculture in the project area because of proximity to Nathdwara temple and Udaipur market. Marigold, jasmine and chrysanthemum seedlings were distributed among enthusiastic and enterprising women farmers. All the farmers were also provided wire fencing to protect the crop from stray animals.

Floriculture has been immensely beneficial to the trained women farmers and on an average there has been an additional income of ₹10,000/- per beneficiary.



A beneficiary of our floriculture programme harvesting Marigold crop

Skill development

We often provide location-specific and market-oriented trainings in driving light motor vehicles (LMVs), mobile repairing, and motor winding. Training is also imparted to youths so that they can become professional beauticians or tailors. More than 200 unemployed youth were trained to enhance their entrepreneurial and employability skills. Many of the participants have been employed after skill development trainings, while some have initiated their own enterprises, generating employment for other unemployed youths.

Capacity building of rubber growers and tappers

We are building capability of rubber growers and tappers in North East States (Assam & Tripura) through skill trainings. The main objective of this initiative is to enhance productivity of Rubber growers and tappers. The Rain-guarding trainers, tappers were engaged in coaching rubber growers and tappers of Rubber Producer Societies in North East states.



Skilled women displaying their Certificates



CSR focus areas: Health

Improving access to healthcare

Quality healthcare and proper sanitation are crucial to improving the resilience of communities to disease and infection. At JK Tyre, through targeted initiatives, we address local concerns that meet communities' needs for quality healthcare, safe drinking water and sanitation.

Prevention of COVID-19

- In more than 400 villages around JK Tyre's plant across several states, the Company has educated people about COVID-19 through public address systems, door-to-door visits, banners and posters at prominent locations and fumigation drives
- For generating awareness about COVID-19 among masses, we took the help of the renowned Pushpawati Singhanian Research Institute Hospital, New Delhi and conducted many online sessions for various stakeholders including employees, dealers, business partners, suppliers, transporters and local communities
- More than 50 health camps have been organised to help local communities during this tough time of COVID-19. These camps have helped disseminating general awareness about COVID-19, provided general health care medicines and also recommended patients for COVID-19 check-ups. More than 5,000 people have benefited through these health camps
- We dedicated an oxygen plant to the district hospital apart from providing medical equipment such as oxygen concentrators, oxygen cylinders, pulse oxymeters, thermal scanners, etc.
- We began our 'Mission 100% Vaccination' to ensure vaccination for all employees, their families and our business partners. We can proudly say that our 100% work force is fully vaccinated (for both the doses)
- We formed COVID 2.0 task force to ensure the welfare of employees. A 24x7 helpdesk enabled employees to access information on issues such as COVID-19 tests, doctor consultation, availability of medicines and hospital beds etc.
- We have also launched JK CARES' (COVID-19 Assistance, Relief & Support), a comprehensive COVID-19 relief package for the dependent family of a deceased employee due to COVID-19

Project Jyoti Kiran

Project Jyoti Kiran was initiated 2 years ago to provide free eye care services, especially to truckers and transporters. The eye care camps for drivers and transporters are organised at Transport Nagar, Mandis and other places where a large number of trucks, light and heavy commercial vehicles visit on a daily basis. The eye testing for truck drivers is done free of cost and spectacles are provided on the spot to those who need it.



Community RO plant at Malaipattu village, Kancheepuram

Case study

Project Jyoti Kiran to eliminate poor vision in the driver fraternity

For truckers, their job entails long hours at the wheels and exposure to pollution that make them prone to health hazards. Many drivers develop problems with their eyesight. As a socially committed corporate organisation, JK Tyre is committed towards the welfare of this community.

Project Jyoti Kiran was initiated a year back to provide free eye care services, especially to truckers and transporters. The eye care camps for drivers and transporters are organised at Transport Nagar, Mandis and other places where a large number of trucks, light and heavy commercial

vehicles visit on a daily basis. The eye testing for truck drivers is done free of cost and spectacles are provided on the spot to those who need it, and that too at their own convenience.

During FY 2021-22, we conducted 59 free eye check-up camps for the driver fraternity at Transport Nagar and other transport vehicle hubs in various parts of the country. These camps gave comprehensive eye check-ups, general healthcare and free spectacles to drivers, transporters and fitters with poor eyesight. In case of serious disorders, information regarding further treatment was also shared with them.

2,446

Drivers provided spectacles free of cost

4,659

Drivers benefited through Jyoti Kiran camps





Community healthcare

Prevention of HIV/AIDS

We are actively engaged in the prevention and control of HIV/AIDS. The network of People Living with HIV/AIDS (PLHIV) in Rajsamand, Rajasthan helps HIV patients get medical assistance, guidance, medicines, nutritional supplements and emotional support. The network has enrolled a total 1,624 PLHIV in Rajsamand, enabling a large number of them to gain benefits from various government social schemes like Antyodaya, Palanhar, etc. Our long engagement with People Living with HIV/AIDS has been instrumental towards ensuring better health, greater social security, regaining dignity and overall better standard of living.

629

PLHIVs provided ART medicines at their doorstep

884

PLHIVs enrolled for Palanhar Scheme

1074

PLHIVs connected with Conveyance Pass Scheme

340

PLHIVs aligned with widow and other Pension Schemes

876

PLHIVs connected with Food Security scheme

1,624

PLHIVs enrolled in Rajsamand District

1,624

Connected through PLHIV network in Rajsamand, Rajasthan, for medical and emotional support

CSR focus areas: Education

Promoting literacy and knowledge-sharing

Education can transform lives and uplift community life. Our scholarship and adult literacy programmes, infrastructure support for schools aim to promote education among the children and youth of nearby communities.

Support to School programme

Apart from running our own school at Jaykaygram, we are supporting many schools to bring about an improvement in pedagogy, learning outcomes, digital learning and ensuring better infrastructure. The following infrastructural support activities have been implemented in schools in vicinity of our plant locations;

- BaLA - Building as Learning Aid (Developing School Building as a resource for the teaching-learning processes).
- SABL (Systematic Activity Based Learning) for school children
- SMART classroom
- Solar based digital classroom
- Clean drinking water availability in schools
- Sanitary Napkin Destroyers at schools, etc.

A total of 12 schools have been renovated, benefiting more than 2,500 children

Remedial classes for weaker students

The remedial classes are run for weaker students after the school hours to bring them at par with other students. We prefer to select the teacher from the same community and further the teaching – learning happens in a very interactive way, ensuring greater learning at a faster pace.

Adoption of ITIs

We adopted three Government Industrial Training Institutes (ITIs) more than a decade ago under the Public Private Partnership (PPP) model. The job-oriented quality vocational education is imparted to benefit more than 500 local students each academic year. Today, campus interviews in these ITIs are conducted by reputed corporates, thereby enhancing the reputation of the adopted ITIs. The initiative has also resulted in providing almost 100% employment to the local students.



Painting Competition

12

Schools renovated

>2,500

Students benefited

550

Students attended remedial classes

3

ITIs adopted

>500

Students benefitted every year

CSR focus areas: Water management

Improving water security among communities

We, at JK Tyre, are among the lowest consumers of raw water globally in the Tyre Industry, and aid communities to secure and replenish their water sources through our community initiatives.

Our water conservation initiatives in villages near our manufacturing units enable local communities to become water sufficient. During the year under review, 5 Water tanks have been renovated, creating additional water holding capacity of 1,52,477 KL water. While, in the last five years, a total of 35 community water tanks, 10 check dams and 38 farm ponds have been developed till date for rainwater harvesting

and irrigating agricultural fields. We have also been working on ground water recharge, providing drinking water for animals, and other similar initiatives. Other water conservation activities like farm bunding, borewell recharge, soak pits, etc. have also been implemented to conserve water and benefit more than 1 Lakh people.

Case study

Water conservation efforts at Mydanhalli, Mysuru

Prudent use of water makes a huge difference to community life, especially since large areas of India face serious water scarcity. We have initiated several water conservation efforts in villages proximate to our sites and these are enabling the communities to become water sufficient. One of the beneficiaries of a water conservation project is Manjunath of Chalanahalli village in Mysuru. He says, "The tank rejuvenation activity undertaken by JK Tyre has helped us immensely. At present, the water tank is full, thus helping cattle from surrounding villages to get drinking water. We are also using this water for

irrigation purposes. It is worth mentioning is that the tank has been instrumental in increasing the groundwater level of this area. More than 15 defunct borewells have become functional and are now benefiting hundreds of farmers, ensuring availability of drinking water and irrigation for their agricultural fields."



Case study

Developing pastureland. Improving environment.

In the villages Nogama and Kishanpura, nearby Kankroli Tyre Plant, we are developing two pasturelands to ensure round the year availability of fodder for animals, fruits and fire wood for the villagers and improving the local environment.

The thought of pastureland development emerged in a community meeting with CSR team where women folk of these villages talked about their problems related to non-availability of fodder. In summer, the villagers have to buy the fodder at very high price to feed their cattle. There were community lands available in these villages, but either they were encroached or in a very degraded condition.

In later meetings, it was decided along with the community and Panchayat that the existing community land will be developed into pastureland and for that all the villagers have to unite and first of all clear the land with encroachment. JK Tyre in collaboration with NGO- Seva Mandir are developing this wasteland into productive pasture land.

Presently, in both the pasture lands, fencing and plantation of more than 10,000 multipurpose plants of Neem, Karanj, Jamun, Peepal, etc. have been completed. It is expected that in next 3-4 years, these developing pasture lands will be immensely helpful in providing fodder, firewood, timber, fruits, etc. for the villagers and help ameliorating the local environment as well.



Developing pastureland in village Nogama, Kankroli

Planet

We are integrating green as a way of life. Our sustainability initiatives have resulted in resource conservation and enhanced our manufacturing excellence. We are minimising the carbon footprint of our products by using cleaner fuels and bio-sourced and recycled materials. At the same time, we are investing in integrating circularity into our processes and in technologies that further our commitment to preserving our natural capital.

PROCESS



Emissions



Energy



Water



Waste management

CONTRIBUTION TO UN SDGs



CAPITALS IMPACTED



Natural capital



Manufacturing capital



JK Tyre Plant, Banmore, Gwalior

HIGHLIGHTS

Water

- Increased the share of harvested rainwater in the overall annual use of water
- Focus on achieving Zero Raw Water for the process, leaving fresh water only for domestic purposes
- Global benchmark for raw water consumption per kg of tyre manufactured

Energy

- Implemented several focused initiatives for green and clean energy; usage of Biomass and nitrogen curing form our focus areas
- Among the best three in the world in low energy consumption

Climate change

Reducing our carbon footprint

We believe in producing more with less, which is the foundation of our environmental responsibility. We are working on reducing our energy intensity, greenhouse gas emissions and exploring better processes and fuels. Our environment stewardship is driven by our goals of zero waste to landfill and zero effluent discharge as well as reduced water use, and our alignment with the United Nations Sustainable Development Goals, including those on human rights, anti-corruption and upholding of labour interests.

Emissions

As one of the greenest tyre manufacturers, JK Tyre follows a low-carbon strategy, which also forms the basis of our future growth. We are among the top five tyre manufacturers in the world in reducing our greenhouse gas emissions every year.

Since 2013, we have been tracking and reporting our carbon footprint. Going ahead, we intend to further reduce our emissions by reducing the use of fossil fuels in our manufacturing facilities.

Indirect Emission Transportation BRSR reference Principle 6

JKTIL has started the third party verification of the inventorisation of the Indirect emission – Transportation from FY 2020-21, the details are given in BRSR principle 6 table 4.

Biomass usage

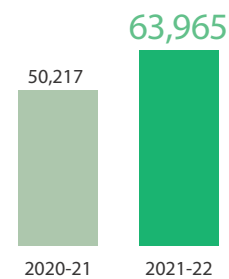
The Company has started using biomass and in the last 2 years, the usage of biomass has increased by 275% and is continuously working on increasing its use. In FY 2021-22 JKTIL has used 26,518 MT of Biomass which contributed to 355.28 TJ of Bioenergy that substituted around 23,366.02 MT of coal used across the manufacturing sites of JKTIL.

0.78 tCO₂e/tonne
GHG emission intensity

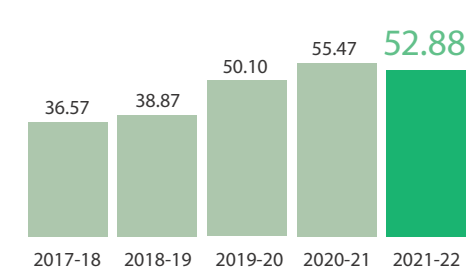
57%
Reduction in GHG emissions from base year (2013-14)

GHG Emission Chart (Plant JKTIL) - Scope 3 only

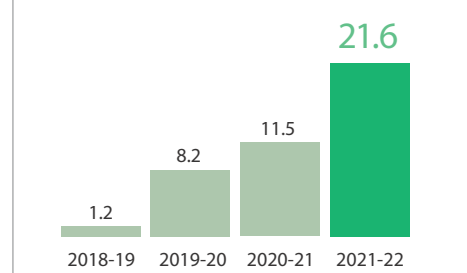
Indirect Emission - Transportation(tCO₂e)



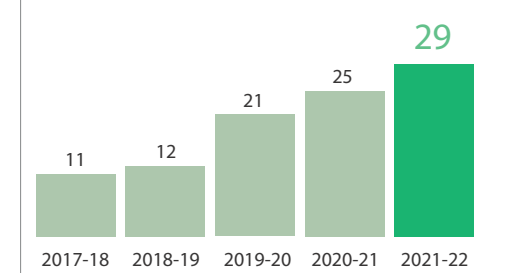
Renewable power contribution (%)



Renewable fuel contribution (%)



Renewable energy contribution (%)



GHG EMISSIONS

FY	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Direct Emission (tCO ₂ e)	2,94,540	2,86,198	2,17,246	2,06,105	2,06,445	1,95,117	1,58,568	1,43,342.12	1,56,036.8
Indirect Emission - Energy(tCO ₂ e)	1,78,504	1,79,686	2,09,021	1,60,958	1,32,978	1,26,667	88,424	74,603.94	93,055.85
Total Emission (tCO ₂ e)	4,73,044	4,65,884	4,26,267	3,67,063	3,39,423	3,21,785	2,46,992	2,17,946.06	2,49,092.64
Production (MT)	2,57,762	2,75,217	2,78,573	2,71,803	2,84,590.5	2,99,973	2,55,447.75	2,62,273.38	3,18,733.63
Emission Intensity (tCO ₂ e/MT)	1.835	1.693	1.53	1.35	1.1927	1.0727	0.9669	0.831	0.7815

Case study

Using Nitrogen for tyre curing instead of hot water

At the Kankroli plant, tyre curing or Vulcanising was done using steam and hot water Curing Cycle. The repetitive use of hot and cold water in the curing cycle leads to degradation of the equipment. It also consumes a lot of power, making the process inefficient. As a solution, steam has been replaced by Nitrogen. This has cut down energy consumption, making the process more viable.

5,720 GJ/year

Reduction in energy use, equivalent to 8,640 tCO₂e/year





Energy management

Energy efficiency

We are one of the 3 lowest energy consumers in the Tyre Industry.

We have made significant improvements to our plants to prioritise clean and green energy utilisation. We want to improve on these methods by enriching our energy mix and increasing the use of renewables.

‘**Today for tomorrow**’ is our attitude as we try to grow as a green company. One of our primary aims is to become greener by prioritising energy savings, resource management, reduced dependence on conventional energy sources while looking for alternative fuels.

We are reducing our power consumption every year. Our specific power consumption reduced from 0.93 Kwh/kg in FY 2013-14 to 0.77 Kwh/kg in FY 2021-22. We have also successively reduced our Specific steam consumption from 2.39 kg/kg in FY 2013-14 to 1.64 kg/kg in FY 2021-22, our best year so far in this parameter.

Energy consumption

FY	UOM	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Energy Intensity	GJ/Ton	12.31	11.23	10.74	10.33	10.22	9.81	9.73	8.92	8.83
Reduction w.r.t base year (2013-14)	%		8.8%	12.8%	16.1%	17.0%	20.4%	21.0%	27.6%	28.3%

8.83 GJ/tonne

Energy intensity

21.6%

Biofuel in energy mix

53%

Renewable power contribution

29%

Renewable energy contribution

Case study

Using LPG for saving energy

At our Kankroli plant, a 4-roll calendar equipment is utilised to coat the rubber on both sides of the dipped cloth before it is used for stock preparation for the green tyre. The equipment is used to eliminate moisture from the dipped cloth prior to calendaring by preheating it. Previously, the cloth was heated by passing the fabric through hot cans warmed by hot water circulation. Electric heaters produced the hot water. Each day, the 4 roll calender machines are run for 16 hours. The start/stop results in substantial loss of energy. Also, the heating system was found to be inefficient as indirect heating was used, which took roughly four hours to attain the requisite temperature in the drying zone.

Installation of direct LPG heating inside the drying zone has resulted in energy saving. All the heating cans have been removed and the cloth is now run through a multi-pass system. Appropriate temperature within the drying zone is obtained in 15 minutes of the equipment being turned on.

12.9 MN KCal

Energy saved per year, equivalent to 165 tCO₂e



JK Tyre Plant, Banmore

Case study

Energy projects at VTP-1

1. VFD for feed mill

Earlier, we used to operate the mill in star delta mode at full speed, stopping the mill while the compound heated up at full speed. To decrease power usage, frequent stoppages, and manage the mill speed and compound temperature, we designed and built a VFD for a 110 KW motor.

40.35 MWH/year

Energy saved equivalent to 9.4 tCO₂e

2. VFD for Banbury #2 feed mill

We needed to halt the mill during compound changeover, and we also wanted to minimise idle running at full speed. So, we designed and built a VFD for the 184 KW motor.

59.6 MWH/year

Energy saved equivalent to 13.89 tCO₂e

3. Installed capacitor banks at substation and mills

Our plant's power factor was 0.93. We, therefore, designed and built capacitor banks at the substation and mill applications to raise the power factor to 0.95 and minimise power usage.

14.2 MWH/year

Energy saved equivalent to 3.31 tCO₂e

Water stewardship

Consistently minimising water use

We have the lowest specific raw water consumption globally. At JK Tyre, we are continually striving to enhance water efficiency in our operations and cut down the use of water by 2-5% every year for the next 10 years, as part of our sustainability goals for 2030. We rigorously monitor our water consumption and have installed water meters at our production units.

We used 1.72 litres of raw water per kg of finished product in FY 2021-22. While we mostly use surface water collected from neighbouring rivers or provided by municipal corporations, we also use subterranean water at our production facilities in Chennai and Mysuru. For efficient control of water use in all the industrial units, water metering stations have been installed at important usage sites.

Case study

Limiting use of raw water

At our Kankroli plant, fresh water was used to flush toilets. To reduce the consumption of this raw water, we are using water recycled through the Sewage Treatment Plant. A separate line has been installed for each urinal, linking 32 toilets to the STP outflow water.

430 KL/year
Water savings from the project

Raw water consumption

FY	UOM	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Raw Water Consumption	Ltr/Kg	4.40	3.90	3.40	2.79	2.42	2.18	2.20	1.87	1.72
Reduction w.r.t base year (2013-14)	%		11.4%	22.8%	36.6%	44.9%	50.4%	50.0%	57.5%	61.0%

Case study

Towards water positivity at our Chennai plant

In order to attain its aim of becoming water positive, we are focussing on water recovery, recycling, and reuse through enhanced process efficiency that has minimised both energy and water use.

Some of the key projects undertaken are:

- Cooling tower optimisation
- STP treated water used as cooling tower makeup
- Flash steam utilised to increase the deaerator temperature

1.49 Litre/KG

Water consumed in FY 2021-22 against 1.91 litre/kg in FY 2017-18

LOWEST WATER PER TONNE

Used at the Chennai facility, making it one of the world's lowest users of water per tonne of Radial tyre manufactured





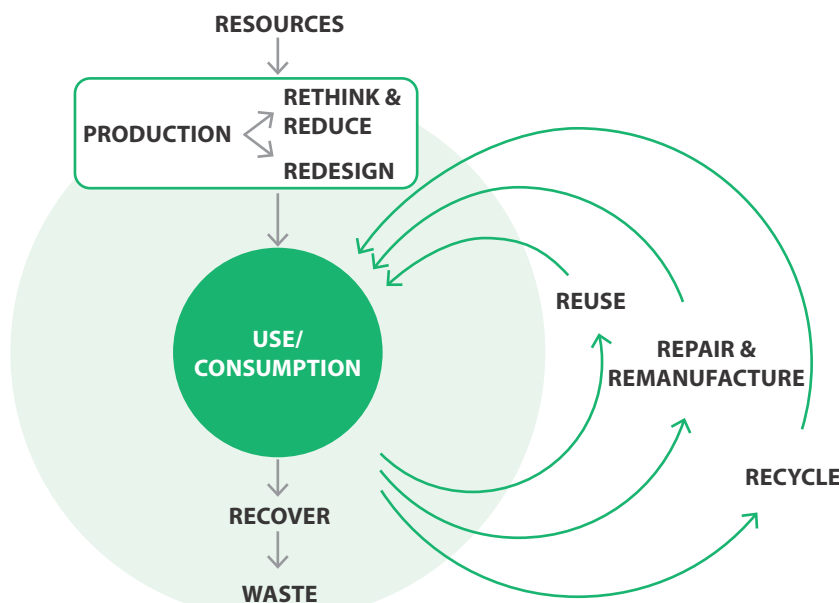
Effluent and waste management

Driving circularity through the six R's

At JK Tyre, we follow a zero waste to landfill policy. We have a well-defined waste management strategy in place to segregate waste from different sources and we have eliminated the use of single-use plastic on our premises. As a part of our sustainability goals for 2030, we plan to increase the use of recyclables and enhance the recyclability of resources used in the product by 2-5% every year over the next 10 years.

While we aim to reduce waste generation, we are constantly reusing and recycling garbage at our plants and premises. We have a well-defined procedure for recycling and reusing waste generated throughout the manufacturing process and employ roughly 5% recycled/regenerated material in the virgin product. Working towards our goal for resource conservation, we have been able to reduce process scrap/waste to less than 1%.

All our production sites have effluent treatment facilities that treat wastewater to meet the criteria. This treated water is utilised for internal functions and/or for gardening. There have been no documented cases of non-compliance at our sites with regard to effluent criteria.



Waste water

At JK Tyre, we have a well-defined waste management process that segregates waste at source and ensures their safe disposal. Total waste for FY 2021-22 is 10,010.7 MT, Which includes, Hazardous waste 514.1 MT & Non-Hazardous waste 9496.6 MT.

JK Tyre's manufacturing locations are equipped with effluent treatment plants & sewage treatment plants that treat the water to the effluent quality standards prescribed in the water consents. This treated water is used within the premises and/or used for gardening purposes. There have been no recorded instances of non-compliance, either in the effluent parameters or in the quantities to be generated as prescribed in the water consents in any location.

28.72 TSS (Avg) mg/L
 151.16 COD (Avg) mg/L
 19.95 BOD (Avg) mg/L

Case study

Zero Liquid Discharge Unit at Kankroli, Jaykaygram

At our Kankroli plant, processed water from a demineralised (DM) water plant is utilised to feed the boiler for steam generation. This water, which is actually treated water, first goes to a two-stage RO plant from the Sewage Treatment Plant. This leads to the production of an approximate 60 KLD high TDS reject water that is used for soaking coal and quenching ash. The threat of this high TDS water contaminating the groundwater was considered. The team at the plant thus erected a third stage RO plant to achieve our ZLD goal. Now, water from the two-stage RO plant goes to the third-stage RO plant, and then to a Mechanical Vapour Recompression (MVR) unit. About 95% of the yield at the MVR unit is utilised as DM plant input and the rest is sold to an approved waste vendor as solid waste. As a result, no liquid is discharged from the plant.



Desilted lake

Case study

Upgrading used tyres at retread centres

In order to extend the life of used tyres, we have established a chain of 50+ retread centres across India for providing quality retreading solutions to fleet owners and helping them reduce their operational cost (cost per km) CPKM. These centres are equipped with ultra-modern retreading machinery and JK Tyre-recommended repair and retread procedures. It helps in avoiding scrap ensuring a second and third life for tyres. JK Treads is a premium brand in the retreading industry today.



JK Retread Centre

Biodiversity

Biodiversity and ecosystem degradation could have a severe impact on our operations and supply chain, exposing us to considerable risks. We take proactive actions to avoid these risks and include biodiversity management as an important focus area during corporate decision-making. Apart from assuring long-term business stability, this increases our brand value and increases our value proposition to stakeholders, particularly the local communities from whom we gain the social licence to operate in their areas.

We have prioritised the preservation of the existing green belt at our sites and promote biodiversity in their vicinity. This effort includes a significant amount of afforestation efforts. We plant trees that give shade and help regulate the microclimate, lessening the 'heat island' impact. These plants also keep the ground stable and prevent soil erosion while helping maintain groundwater levels by helping water from precipitation percolate down into the soil. They also act as carbon sink and absorb harmful emissions from the atmosphere.



Rejuvenation of Alanahalli Lake in Mysore

Process

A rounded governance, efficient supply chain management and resource use saw us through the challenges posed by a resurgent pandemic during the year.



PROCESS



Compliance

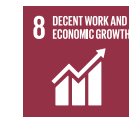


Supply chain mechanism



Resource conservation

CONTRIBUTION TO UN SDGs



CAPITALS IMPACTED



Manufacturing capital



Social and Relationship capital

58%

Independent Directors on the Board

16%

Women Directors

JK Tyre Plant, Mysuru



Corporate Governance

Remaining rooted by a strong compliance culture

We follow global best practices and uphold the highest standards of corporate governance and compliance. We are building an agile and resilient business on the bedrock of our values of transparency, accountability, integrity and intellectual honesty that ensure our ability to create sustained value for our stakeholders.

Composition of the Board of Directors

The Board of Directors of JK Tyre consists of 12 Directors as on March 31, 2022, of which three are Executive Directors and nine are Non-Executive Directors (NED); out of the latter, seven are Independent Directors (IND). We have two women Directors on the Board. The composition of the Board is in conformity with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Board mandate

The Board of Directors and its Committees supervise the functioning of the Company and a periodic review of the performance is undertaken by the board. The Board periodically reviews compliance reports with respect to laws applicable to the Company and steps taken for compliance.

Core skills of the Board

- Leadership/Business philosophy/ Entrepreneurship/Global business strategy/Management
- Financial and accounting knowledge
- Strategic planning
- Legal and corporate governance expertise
- Technology/knowledge pertaining to the tyre Industry
- Commercial and marketing experience
- Community service, sustainability and corporate social responsibility
- Quality and safety
- Risk management
- Human resource

All the Board Members possess the above-mentioned skills collectively that enable them to make effective contribution to the Board and its committees.

Board Committees



Audit Committee



Stakeholders' Relationship Committee



Nomination and Remuneration Committee



Corporate Social Responsibility Committee



Risk Management Committee

The composition and 'Terms of Reference'/Role of the Board Committees are in conformity with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. The Corporate Social Responsibility Committee of the Board of Directors is also responsible for the implementation of policies that relate to the Company's discharge of its business responsibility and reviews various initiatives undertaken by the Company from the perspective of Environment, Social and Governance (ESG).

Performance evaluation of the Board and its Committees

The performance of the Board and its Committees is evaluated annually in accordance with the process specified by the Nomination and Remuneration Committee. As every year, in FY 2021-22, the performance of the Board was evaluated on criteria such as adequacy of its composition and structure, effectiveness of Board processes, information and functioning, etc., and took into account response from all Directors. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members. The Board also evaluated the performance of individual Directors based on criteria such as attendance, effective participation and contribution at meetings of the Board and its Committees.

Board role in risk management

JK Tyre has an elaborate risk management system, and the Risk Management Committee of the Board oversees risk assessment and mitigation. The Board reviews the processes and procedures for mitigating the risks from time to time.

Code of Conduct

We have in place a Code of Corporate Ethics and Conduct, which specifies the Company's commitment to maintain the highest standards of corporate governance and interaction with stakeholders. It presents the core values and corporate

ethics to be practiced by employees. There is also a Code of Conduct for the management staff (including Executive Directors). Also, as per the terms of SEBI's Listing Regulations and contemporary practices of good corporate governance, the Board has laid down a Code of Conduct for all Board members and senior management of the Company.

Vigil mechanism

We have a policy on Vigil Mechanism/ Whistle Blower for the Directors and employees of the Company to report their genuine concerns or grievances relating to actual or suspected fraud, unethical behaviour, violation of the Company's Code of Conduct or Ethics Policy, and any other event which would adversely affect the business interests of the Company.

Prevention of sexual harassment of women at workplace

As required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, we have a formal policy to ensure the safety of women and prevention of sexual harassment. We have an Internal Complaints Committee (ICC) under the said Act to redress the complaints of women employees. During the financial year ended March 31, 2022, no complaint had been filed with ICC alleging sexual harassment and there were no complaints pending as on March 31, 2022.

Related party transactions

There are no materially significant related party transactions that may potentially conflict with the interests of the Company at large. During the financial year ended March 31, 2022, all contracts or arrangements or transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations, as applicable.

Further, JK Tyre did not enter into any contract or arrangement or transaction with related parties that could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Product

Our innovation capability and customer centricity have been our characteristic strengths since inception. A wide array of product launches this year, with unique value additions such as self-healing property and low RRC, and brand premiumisation helped us stay ahead of the curve. Digitally enhanced processes and marketing drives meanwhile improved customer experience and our brand reach.

MATERIAL ISSUES



Innovation



Customer centricity

CONTRIBUTION TO UN SDGs



Intellectual capital

HIGHLIGHTS

IoT powered smart tyres with lower carbon footprint introduced

New Digital Claim Management Process implemented for enhancing customer experience

**TYRES FOR EVERY NEED
TO GIVE YOU TOTAL CONTROL ON
EVERY TERRAIN.**



Innovation

Powered by our intellectual capital

Our innovation capability has been among our biggest strengths since inception. It helped us pioneer radial technology in the 1970s and continue to bring to customers best-in-class products. Our state-of-the-art 'Raghupati Singhanian Centre of Excellence' in Mysuru and partnerships with national and international academic institutions and global experts in the fields of advanced material, nanotechnology and advanced tyre mechanics have helped us deliver fuel-efficient tyres. We are evolving newer technologies for EV Tyres – a fresh challenge that we are pursuing with vigour and are already supplying to EV manufacturers.



HASETRI's activities

- Material research
- Compound and process development
- Analytical and chemical characterisation
- Test method development for 'standards'
- Sponsored research and technology development
- Calibration (mechanical and thermal)
- Training and skill development
- Tyre testing and characterisation
- Vehicle dynamics and noise vibration engineering
- Computational mechanics (simulation)

Our Global R&D and Technology Centre 'The Raghupati Singhanian Centre of Excellence', which houses HASETRI & The Tech Centre, continued to work on sustainable green technologies and the development of tyres for e-vehicles.

Product development capability

Key strengths



Product excellence

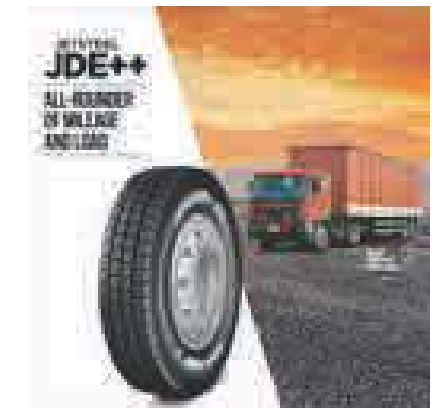
We are developing highly durable products and improving our current range with the following products:



New Long Haulage Lug Tyre – JDH XM Best-in-class



New Mixed Application Semi-lug tyre – JUC XM – Super durable



New Lug tyre for perishable goods – JDE++ Super reliable

We have also developed next generation fuel efficient tubeless TBR with low Rolling Resistance Coefficient (RRC). Our Tubeless Products range includes tyres for the following categories:



Haulage Truck



Long Haul Coach



Urban Bus (IC)



Urban Bus (Electric)

In FY 2021-22, we are the 1st Indian brand to supply tyres to the First indigenous manufacturers of Straddle carriers and Girder transporters, a landmark achievement for us

Innovation

Smart EV Tyres

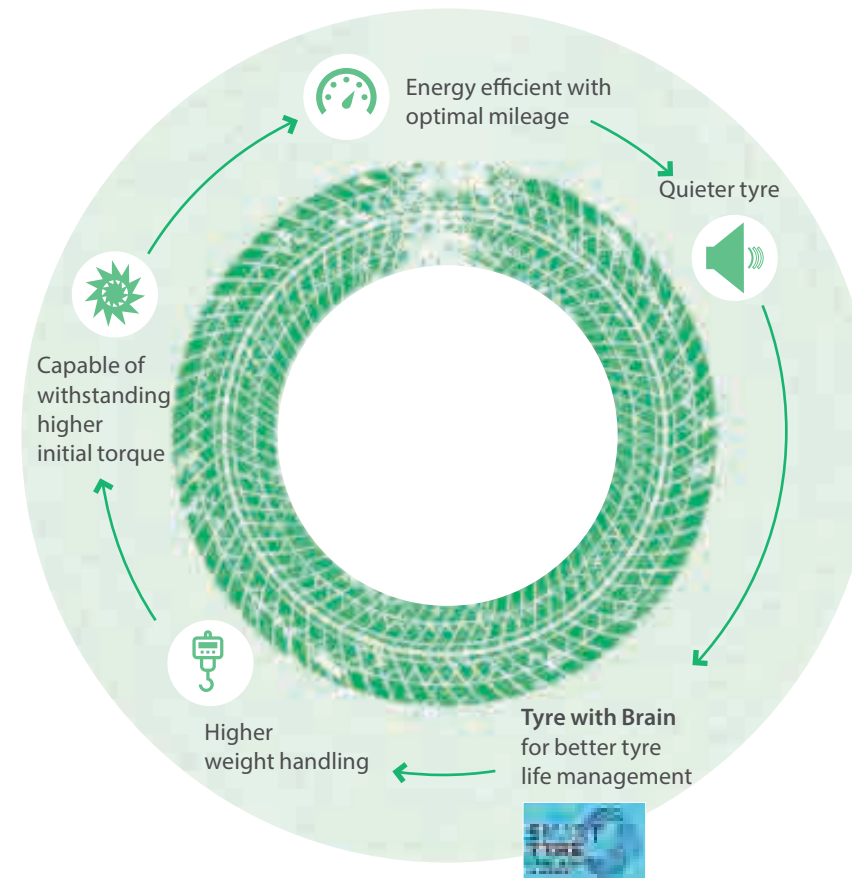
We have developed developing a range of new tubeless tyre offerings for EVs powered by next-generation design philosophy and process and material innovation. These tyres are smarter, quieter, efficient and durable, and provide optimal mileage. These have been developed with state-of-the-art simulation tools for predictive analysis, and are capable of withstanding high initial torque. R&D for these tyres is being conducted in partnership with automobile industry leaders to cater to emerging customer requirements.

139

Tyre models developed for e-buses and e-trucks

~75%

Tyre models developed for BS VI vehicles have been approved and 50% for BS VI buses and EVs

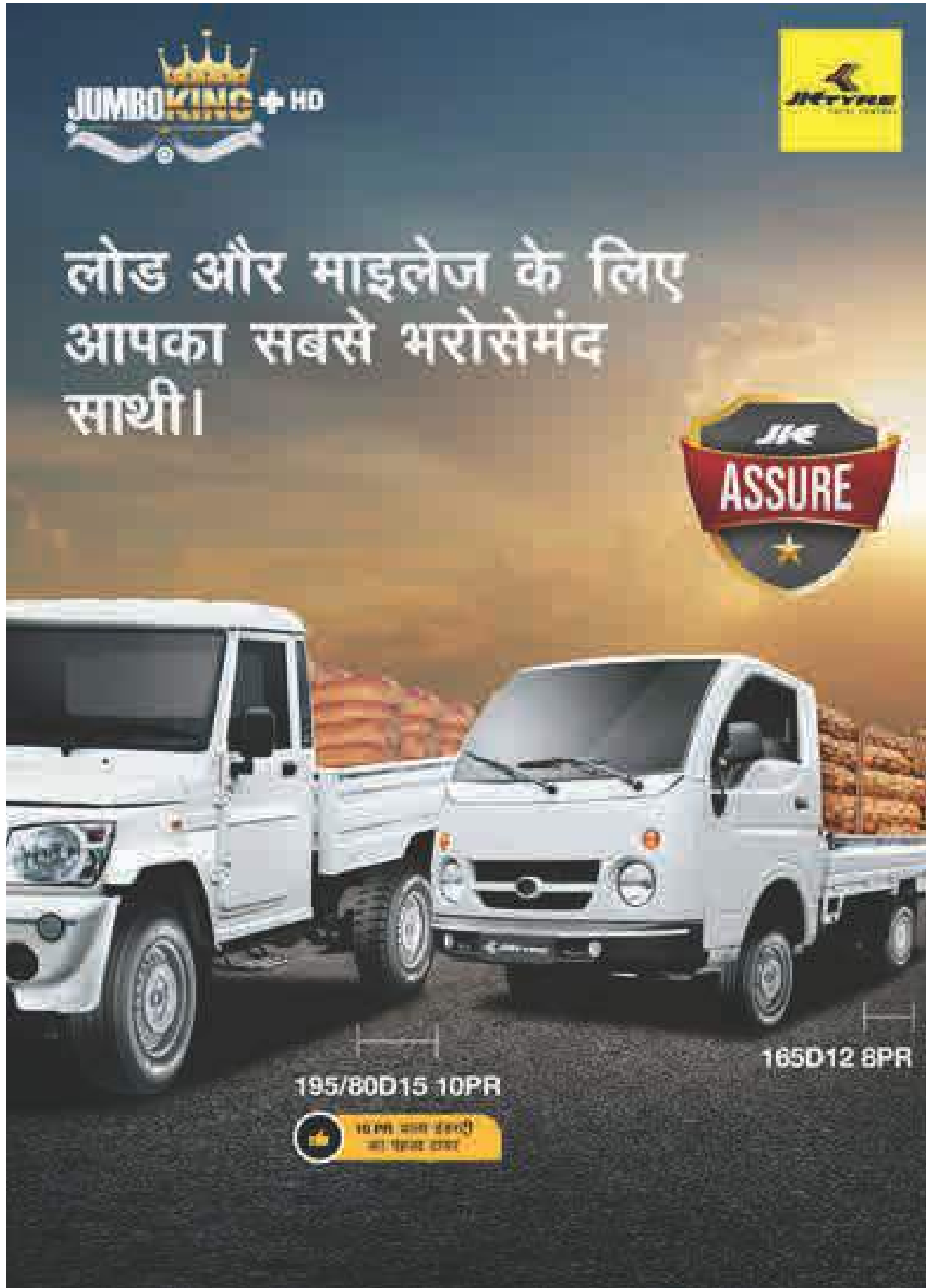


Sensor technology

We are also leading in the production of tyres with sensor technology. In 2020, we produced tyres with Tyre Pressure Monitoring System (TPMS), which was then followed with tamper-proof TPMS for tube-type tyres in 2021. In FY 2021-22, we worked on producing fuel sensor interaction with tyre sensors.

R&D partnerships with academic institutions and industries

- 14-year-old research partnership with IIT Madras
- Long-term contract with Natrax Testing Centre and onsite team for JK Tyre



New product launches FY 2021-22

Truck/Bus Radial segment

JETSTEEL JDH XM

JETWAY JUC XM

Truck/Bus Bias segment

JET POWER 100

The LCV Bias segment

JET XTRA XLM

Pick-up Bias category

JUMBO KING + HD

The Hatchback segments

UX TOURING

US market

OHT category tyres

New patents FY 2021-22

Fins technology

New circumferential groove

Digitalisation

We have been undertaking sweeping digitalisation as part of our transformation drive. We have been implementing best-in-class digital practices for inventory management and our interaction across channels and sales force. This has helped us to efficiently manage the inventory levels at our warehouses and dealer locations – an aspect that helped us tide over the supply chain challenges created by the pandemic.

We have also adopted a digital architecture for our claim management process, which has enhanced our service response time and revolutionised our customer relationship management. Digitalisation has also helped us create greater efficiencies in the learning and development for our employees and channel partners. During the pandemic, we launched a digital learning platform that enabled training and knowledge-sharing that could be used by our field personnel and channel partners to reinforce the learning process. We have also been extensively using the digital medium to reach out to our customers and amplify our brand resonance.

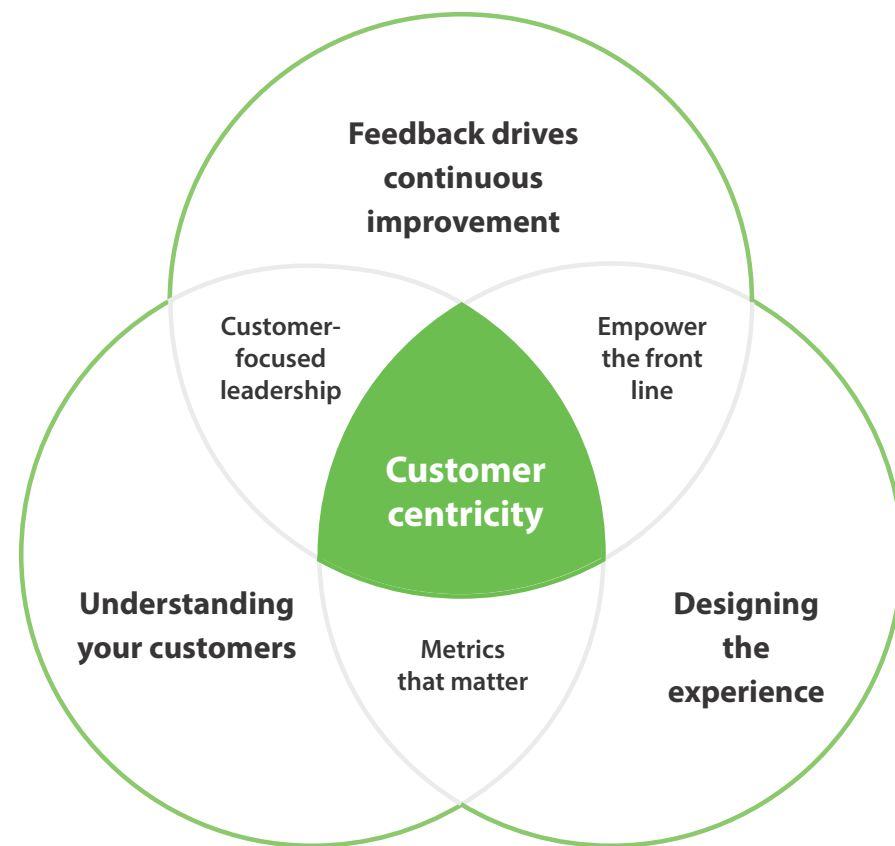
Best-in-class transformation recognition

JK Tyre was recognised for the Best Digitisation Kaizen in the Manufacturing sector in the large category at the 4th CII National Kaizen Circle Competition 2021

Customers

Reaffirming our customer centricity

Digitalisation of the claims settlement process has helped address customer pain points and enhanced the experience for not only our customers but also our internal teams and channel partners.



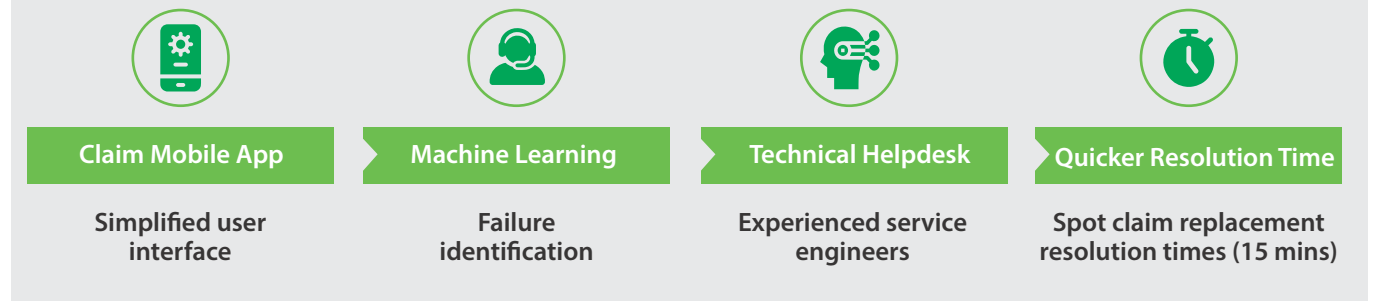
Leveraging technology to enhance customer experience

We have leveraged the inherent advantages of digitalisation to make our customer service process more efficient and enhance customer experience. The earlier claim settlement process had no provision of on-spot replacement of tyres and customers had to wait for 6-7 days for claim settlement. The tyre in question had to be physically brought to the depot for inspection and the channel partners were not willing to replace tyres from their inventory. As per the new system, channel partners can raise a claim whenever customers approach them with a complaint tyre. The app, which is integrated with the JK Tyre SAP image processing engine, uses machine learning to assess the defect condition based on photographs uploaded by the dealer in the app while raising the claim. The entire process is backed by an experienced service team just to ensure correct warranty disposition through the digital claim medium.

90%
Claims digitalised within 7 months of the launch of the digital claim settlement process

15 MINUTES
Spot claim replacement resolution time

New digital customer claim settlement process features



On-the-spot replacement of tyres

Channel partners can now provide on-the-spot warranty replacement to the end-customer based on warranty claim raised by them on the mobile app whenever customers approach them with a complaint tyre.



Enhanced service response time

Replacement decision taken within 15 minutes unlike earlier when the wait time could extend to 6-7 days



Convergence of sales and service point

Onboarded digital claim channel partners can now act as both sales and service point for end customers, helping channel partners to increase their customer base



Measurement of B2C service response time

Under the digital claim management, we are able to measure the actual time taken for claim resolution right from the point when the customer approached the dealer with a complaint till the time of resolution



Customer convenience

Digital claim management offers omni-channel support to our valued customers whereby they can approach us through any medium of their choice for on-the-spot warranty

Other FY 2021-22 developments

- Launch of JK Assure, which gives customers assurance over and above the standard warranty
- Hello JK Tyre helpline continues to provide support to customers and address queries
- JK Connect portal and app was further updated to improve the ease of doing business for channel partners
- Dealer Clubs policy was enhanced to encourage channel growth and improve retention

Marketing and branding

Expanding our brand reach

At JK Tyre, we have been decisively expanding our brand salience by exploring digital marketing in addition to the conventional channels for brand promotion. Be it product communication, consumer-driven initiatives or the celebration of events under Motorsport, we are extensively using digital media platforms. This has enhanced brand visibility, accelerated speed of market response, widened consumer engagement and ensured higher customer impact.

Promoting excellence - ICOTY & IMOTY Awards

We focused on

- Strategic media presence, including print, radio and TV
- Increasing customer mindshare of our brand
- Stronger connect through various events and activations

Positioning the brand

We have recently launched the Smart Tyre 360-degree campaign, which has already crossed a 50 million viewership on social media. The campaign has won the Viral Marketing Award from The Economic Times. An incisive multi-media campaign continues to push Smart Tyre sales. Our digital marketing strategy is helping us focus on targeted audience, creating an immediate impact and superior brand recall. We have received the Golden Feather Award for the Best Digital Marketing Campaign titled 'Zindagi ke Pahiye' and the Best Brand campaign for the ranger series. Out-of-home (OOH) advertising has been leveraged to create a differentiated brand identity and awareness of our key SKUs.



Promoting our commercial products

We have tied up with ITC e-choupal in a first-of-its-kind association to spread awareness in the rural areas of our brands in the light commercial vehicle/small commercial vehicle (LCV/SCV) category tyres. Digital marketing has helped promote our branded outlets. For example, Google My Business has led to more footfall in the brand shops (Steel Wheels/Xpress Wheels, Truck Wheels and Retread Centres).



JK Tyre-ITC e-Choupal Association

Exploring alternative sales channels

We are growing our presence on the e-commerce platforms particularly for passenger segment tyres. The tyre platform tyreplex.com is promoting more interest in our tyres. The heightened interest in our products is also evident from the number of hits we receive on Google Search; we also command substantial following and visibility on Instagram and Facebook.

Marketing campaigns during the year

- The Smart Tyre 360-degree campaign on social media crossed a 50 Million viewership and our television commercial on Smart tyres have garnered a 110+ Million viewership
- On-ground campaign to educate 5,000+ transporters on our powerhouse products specific to their usage
- Dedicated campaigns to promote products for the Super Heavy Load segment, resulting in engagement with 4,000+ customers in high-consumption locations
- We continue to run our 'Zindagi Ke Pahiye' campaign and create a strong brand presence on e-commerce platforms to reach our customers
- In collaboration with ITC's agri business division, we set up farmer meets and Grahak Diwas that helped expand our reach in rural areas through engagement with farmers; collaboration with tractor aggregator platforms have helped promote our premier range of products

Prosperity

We are focussing on cutting down on long-time borrowings, reducing our debt and managing costs prudently. Growing our exports and driving volume growth in the OEM and replacement segments with our wide and innovative product range will help us generate better returns for our shareholders.

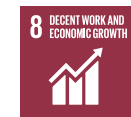


MATERIAL ISSUES



Economic performance

CONTRIBUTION TO UN SDGs



CAPITALS IMPACTED



Financial capital

HIGHLIGHTS

₹1,110 CR
EBITDA

₹201 CR
PAT

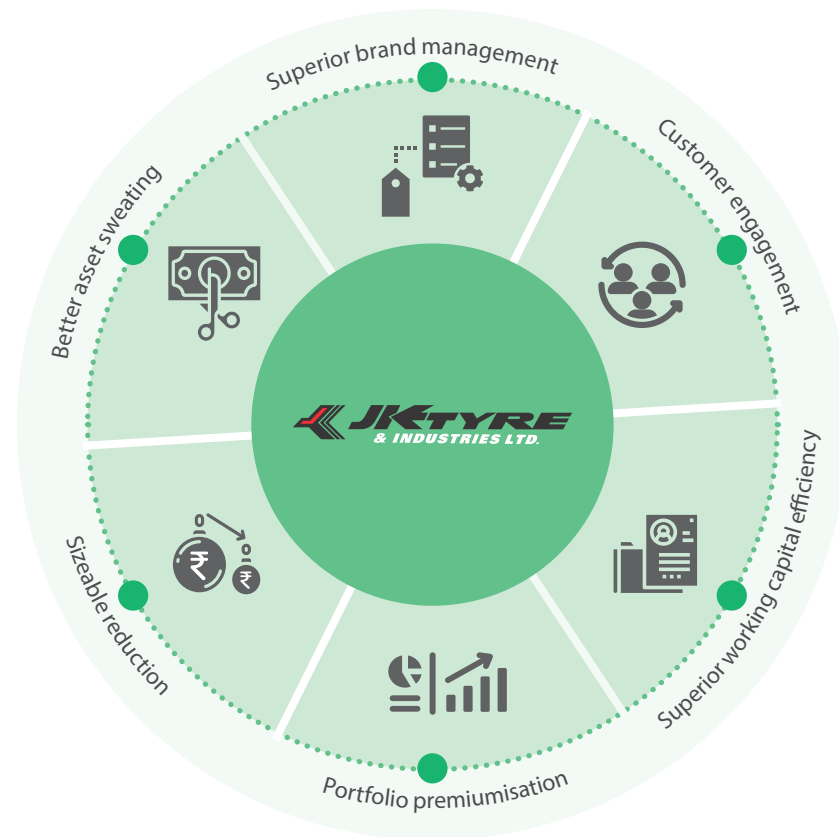
₹12,020 CR
Turnover

Financial performance

A year of focussed growth

In spite of the challenges created by the pandemic, we ended the year on a positive note, recording our highest ever sales, strong revenue growth backed by increasing exports and deleveraging of the balance sheet. These fit into our larger strategy for growth for which we are looking to increase the share of our global business and reduce borrowings through improved profitability.

Six elements of strengthening our financials



Strong revenue growth backed by robust demand

FY 2021-22 saw us cross ₹12,000 crores in revenue, our highest ever, and a volume growth of 16% on a consolidated basis. This was despite the inflationary pressures on commodity and crude prices from December 2021, which reduced operating margins across the industry.

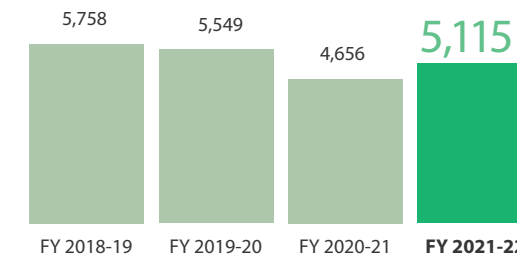
The reporting year saw robust demand, which increased sequentially across the year. The replacement segment continued to boost our top-line, strengthened by our innovative products and brand positioning. Our growing OEM¹ footprint and volume growth across segments was another highlight of the year. Our subsidiaries, Cavendish and Tornel both saw a remarkable growth of revenue, with JK Tornel reporting 169% growth in operating profitability.

Sizeable debt reduction through deleveraging

Deleveraging the balance sheet is one of our topmost priorities. As a result of our steadfast efforts, we have been able to reduce our total debt obligations from ₹5,758 crores as of March 31, 2019 to ₹5,115 crores in FY 2021-22. This reduction was achieved despite higher level of operations, leading to increased working capital requirements.

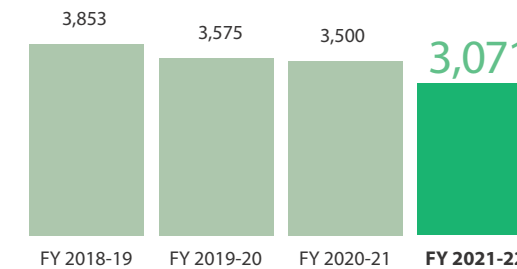
¹ OEM - Original Equipment Manufacturer

Total debt outstanding (₹ in Crores)



This reduction has been achieved by our strategy to consistently repay long-term loans, which reduced by 22% from ₹3,853 crores in FY 2018-19 to ₹3,071 crores in the reporting year.

Term loan outstanding (₹ in Crores)



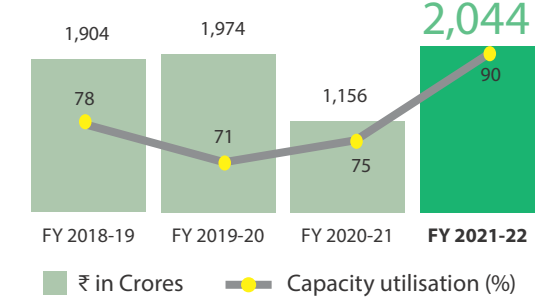
Working capital borrowings

Higher level of operations coupled with unprecedented rise in input costs resulted in higher utilisation of working capital borrowings. Despite the situation, we managed a turnaround based on lower working capital days and prudent cash management. We will continue to minimise receivables levels across channels.

Supply chain

The second wave of the pandemic impacted supply chains globally. However, we were able to surmount the challenges with detailed planning on resource optimisation, diversification of our supplier base and close partnership with our strategic partners. The collaborative and combined efforts of all teams enabled us to scale up our operations as per the business requirements which helped us to achieve the highest ever sales.

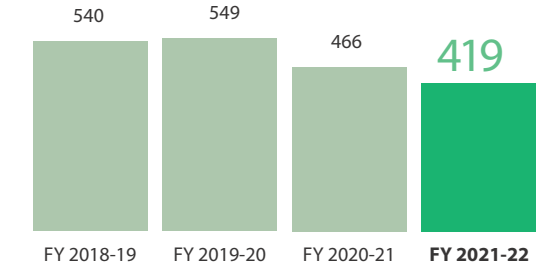
Working capital borrowing trend



Interest costs

Finance costs is another focus area where the Company has been putting efforts to improve the bottom-line. Finance cost in last three years has been reduced by 22%.

Interest cost trend (₹ in Crores)



Future outlook

We will continue to concentrate on deleveraging our balance sheet and bring down the overall debt level. We intend to reduce long-term loans and follow strict credit discipline together with efficient cash management. A strong balance sheet will help us go ahead with our plans to build newer capacities and implement various initiatives for existing plants such as debottlenecking programme and capacity expansion. In this direction, we are aiming to source funds through internal accruals while limiting long-term borrowings. Managing costs shall remain our target area in order to improve the bottom-line and create greater value for shareholders. The demand scenario is quite robust and, therefore, we believe we shall be able to pass on the increase in raw material prices to improve our margins in the coming quarters. We also believe that input costs are decreasing with the stabilisation of raw material prices going ahead, thus easing margin pressure in the coming year.



Assurance statement

bsi.

INDEPENDENT ASSURANCE

OPINION STATEMENT

Statement No: SRA-IND-659169-5

J K Tyre & Industries Limited Integrated Annual Report 2021-22

The British Standards Institution is independent to J K Tyre & Industries Limited (JKTIL) and has no financial interest in the operation of JKTIL other than for the assessment and assurance of this report.

This independent assurance opinion statement has been prepared for JKTIL only for the purposes of assuring its statements relating to relating to its ESG report, more particularly described in the Scope, below. This report has also been prepared in accordance with the International Framework published by the Value Reporting Foundation (erstwhile IIRC). It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read. This statement is intended to be used by stakeholders & management of JKTIL. Owing to the prevailing extraordinary situation due to the pandemic, the stage 1 assurance was completed using immersive techniques. A remote assurance was conducted over Microsoft Teams video-conferencing tool, where the assessor and the assessee client connected through the computer systems and internet.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by JKTIL. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to JKTIL only.

Scope

The scope of engagement agreed upon with JKTIL includes the following:
1. The assurance covers the Integrated Annual Report 2021-22 of the JKTIL, prepared "In accordance" with GRI Standards – Core option, and focuses on systems and activities of JKTIL covering the six manufacturing units in India, their corporate office located at Delhi and their Product Development Centre located at Mysore, India during the period from 1st April 2021 to 31st March 2022.

...making excellence a habit™

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2. The AA1000 Assurance Standard, AA1000AS v3, Type 1 moderate level engagement evaluates the nature and extent of JKTIL's adherence to all four AA1000 AccountAbility Principles: Inclusivity, Materiality, Responsiveness and Impact. The specified sustainability performance information/data disclosed in the report has been evaluated.

Opinion Statement

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000 Assurance standard, AA1000AS v3 and GRI Standards 2020. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that JKTIL's description of their self-declaration of compliance with the GRI Standards were fairly stated.

We conclude that the JKTIL's Sustainability Report 2021-22 review provides a fair view of the JKTIL's CSR programmes and performances during FY 2021-22. We believe that the 2021-22 economic, social and environment performance disclosures are fairly represented. The sustainability performance disclosures disclosed in the report demonstrate JKTIL's efforts recognized by its stakeholders. The intended users of our assurance report are the management and stakeholders of JKTIL.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- A top-level review of issues raised by external parties that could be relevant to JKTIL's policies to provide a check on the appropriateness of statements made in the report,
- Discussion with senior executives and their external consultant on JKTIL's approach and methodology of collection and evaluation of stakeholder engagement. We had no direct contact with external stakeholders.
- Interview with staff and authorities involved in sustainability management, report preparation and provision of report information were carried out,
- Review of key organizational developments,
- Review of supporting evidence for claims made in the reports,
- An assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality and Responsiveness as described in the AA1000 AccountAbility Principles Standard v3.
- A sample-based assessment of the reliability and quality of information as company's performance provided in the Integrated Annual Report

Conclusions

A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality Responsiveness and Impact and the GRI Standards is set out below:

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Assurance statement

bsi.**Inclusivity**

This report has reflected a fact that JKTIL is seeking the engagement of its stakeholders through various channels. The organisation has engaged consultants who had earlier interacted with the identified stakeholders and analysed their inputs in a structured manner. The management has subsequently reviewed and expanded on the material topics identified by the stakeholders and arrived at the final list of material issues. They have brainstormed with the representatives of all the internal stakeholder groups, collected the feedback from major external stakeholders and concluded on 13 material topics. The set of material topics determined in this report is the same as that of the previous report, except that data privacy has been replaced by Innovation as a material topic.

In this Sustainability Report, material data disclosed is primarily restricted to covering the six manufacturing units in India, their corporate office located at Delhi and their Product Development Centre located at Mysore. This report covers the fair reporting and disclosures for economic, social and environmental information. In our professional opinion, the report covers JKTIL's inclusivity issues that demonstrates participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

Materiality

JKTIL publishes sustainability information that enables its stakeholders to make informed judgments about the company's management and performance.

The material topics identified are: Energy and Emissions, Water and Effluent, Waste, Employment, Health & Safety, Learning and Development, Community, Economic Value creation, Procurement, Environmental compliance, Customer Centricity and Innovation. The adequacy of currently identified material topics for future is being re-assessed by JKTIL.

The organization has adopted a stakeholder consultation process to identify their material issues, which was specifically organized for the ESG reporting. In our professional opinion the report covers the JKTIL's material issues by using JKTIL materiality matrix, internal and external stakeholder consultation and boundary mapping. However, the future report should be further enhanced by including those key stakeholder's opinion who could not be consulted due to pandemic related restrictions and for the newly identified material topic for which GRI indicators are not available.

Responsiveness

JKTIL has implemented the practice to respond to the expectations and perceptions of its stakeholders. Feedback from all the internal stakeholder representatives were collected along with few selected external stakeholders. It was also observed that the customer feedbacks and comments are addressed with time bound action plans on the areas for improvements. In our professional opinion nothing has come to our

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bsi.

attention to suggest that the responses related to identified material topics are not adequately represented in the Report.

Impact

JKTIL has also demonstrated that adequate systems are in place to monitor, measure and be accountable for their actions that affect the economy, the environment, society, stakeholders and the organization itself.

GRI-reporting

J K Tyre & Industries Limited provided us with their self-declaration of compliance GRI Standard and the classification to align with "In accordance" - Core.

Based on our verification review, we are able to confirm that social responsibility and sustainable development disclosures in all 3 categories (Environmental, Social and Economic) are reported with reference to "In accordance" with the GRI Standard – Core option.

In our professional opinion the self-declaration covers JKTIL Corporate's social responsibility and sustainability issues. On the basis of the verification undertaken, nothing has come to our attention to suggest that the Report does not properly describe the following sustainability disclosures as stipulated in the GRI Standards.

- GRI 302: Energy 2016 - 302-1, 302-3;
- GRI 303: Water 2018 - 303-3;
- GRI 305: Emissions 2016 - 305-1, 305-2, 305-4;
- GRI 306: Waste 2020 - 306-2;
- GRI 307: Environmental Compliance 2016 – 307-1;
- GRI 401: Employment 2016 – 401-1;
- GRI 403: Occupational Health and Safety 2018– 403-9;
- GRI 404: Training & Education 2016 – 404-1;
- GRI 413: Local Communities 2016 – 413-1;

Competency and Independence

The assurance team was composed of Lead auditors experienced in industrial sector, and trained in a range of sustainability, environmental and social standards including GRI-G4 and GRI Standard, AA1000, ISO10002, ISO 14001, OHSAS 18001, ISO 14064, ISO 50001 and ISO 9001, etc. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

Assurance Level

The type 1 moderate level of assurance provided is in accordance with AA1000 Assurance standard, AA1000AS, v3 in our review as defined by the scope and methodology described in this statement.

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Assurance statement

bsi.**Responsibility**

It is the responsibility of JKTIL's senior management to ensure the information presented in the Sustainability Report is accurate. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Reliability

The assurance statement on the performance was issued based on the evidence collected from ground level provided by the employees of JKTIL. The sample selection was on random basis and selection is done by BSI auditor. The sampled sites covered 3 manufacturing units out of 6 units included in the reporting boundary. The assurance team was convinced that the performance information presented in the report are reliable and representative.

Quality

The quality of information was checked through cross verification of data. Field level measurement and records were verified with the procurement and supply chain invoices/bills. Interview with the responsible persons detailed the activities, maintenance, and process performance. The fitness of the measuring devices, frequency of measurement and recording, competency of the person concerned, and review & approval of information were checked and found in conformance.

Performance Information

JKTIL Integrated Annual Report has addressed their Environment, Social and Governance performance through GRI indicators. The assurance team has evaluated the requirements of the GRI indicators for general disclosures and those relevant to the material topics only.

For the specific data presented in the report, minimal technical/compilation errors were identified during the sampling process which were corrected for the final report.

Based on the processes and procedures conducted with a limited assurance, there is no evidence that the Environmental and Social data and information are not materially correct and are not a fair representation of their Environmental and Social performance.



For and on behalf of BSI:

Kumaraswamy Chandrashekara
Head – System Certification Operations. BSI Group India
New Delhi, India

20 July 2022

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Industry memberships and associations

Our association with top industry bodies as well as government bodies enables us to voice the concerns of the industry as well as help initiate necessary changes.

Dr. Raghupati Singhanian Chairman and Managing Director of JK Tyre & Industries is associated with various leading Apex chambers and government bodies and Academic Institutions of repute of India as listed below:

- Confederation of Indian Industry (CII) as Member of National Council for over 15 years
- PHD Chamber of Commerce & Industry, Senior Member of Managing Committee and past President for over 30 years
- Asia-New Zealand Foundation (Asia-NZ Foundation), New Zealand, as Honorary Advisor, representing India for over 20 years
- Chairman of Automotive Tyre Manufacturers Association – three times
- Member of Board of Governors, Xavier Institute of Management (XIM), Bhubaneswar
- Member of Board of Governors, Indian Institute of Technology (IIT) Chennai
- Member, Rubber Board Kottayam
- President of Indian Rubber Manufacturers Research Association (IRMRA) – A Ministry of Commerce & Industry, Govt. of India Body
- Member of Asia Business Council
- Member of YPO
- Member of Expert Committee on Natural Rubber Policy
- Chairman of Auto Tyres & Tubes Panel, Chemical & Allied Products Export Promotion Council (CAPEXIL), Government of India
- Asia Business council

- Young President Organization (YPO)
- Chairman, Indian Wire Rope Manufacturers Association (IWRMA) (early 1970s)
- Indo-American Chamber of Commerce (IACC) – Past President of North India Council, and Member – Executive Council
- Deputy President, Associated Chamber of Commerce and Industry (ASSOCHAM)

He has also headed various Apex bilateral bodies of the Indian and international business community in the 1990s as Chairman. These bodies are:

- India-Argentina Joint Business Council
- India-Brazil Joint Business Council
- India-Cuba Joint Business Council
- India-Columbia Joint Business Council
- India-South Africa Joint Business Council

He has also led several delegations to number of countries, including those of 'PHD Chamber of Commerce and Industry' and 'Indo American Chamber of Commerce' to various European countries.

JK TYRE & INDUSTRIES LTD is a member of

1. CII,
2. ATMA
3. PHDCCI
4. Centre for Tire Research (CenTire), USA.
5. Indian Rubber Manufacturers Research Association (IRMRA)



GRI Content Index

GRI Standard 2016	Disclosure	Page No IAR	
GRI 102: GENERAL DISCLOSURES 2016	102-1	Name of the organization	Cover Page
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	102-3	Location of headquarters	5, End page
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	102-5	Ownership and legal form	2, 17
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	102-7	Scale of the organization	3, 19
	102-8	Information on employees and other workers	63, 157
	102-9	Supply chain	49, 107
	102-10	Significant changes to the organization and its supply chain	None
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	102-12	External initiatives	76
	102-13	Membership of associations	113
	102-14	Statement from senior decision-maker	34-37
	102-15	Key impacts, risks, and opportunities	48-49, 136-139
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	102-17	Mechanisms for advice and concerns about ethics	90-91
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	102-44	Key topics and concerns raised	42-43
	102-45	Entities included in the consolidated financial statements	158
	102-46	Defining report content and topic Boundaries	4-5
	102-47	List of material topics	44-45
	102-48	Restatements of information	None
	102-49	Changes in reporting	None
	102-50	Reporting period	4
	102-51	Date of most recent report	4
	102-52	Reporting cycle	4
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GRI 201: Economic Performance 2016	201-1	Disclosure 201-1 Direct economic value generated and distributed	15
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GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	49
	103-2	The management approach and its components	49
	103-3	Evaluation of the management approach	49
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	182
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	103-2	The management approach and its components	78
	103-3	Evaluation of the management approach	78
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	302-3	Energy intensity	78
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	103-3	Evaluation of the management approach	82
GRI 303 Water 2018	303-3	Water withdrawal	82, 175



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	103-2	The management approach and its components	76
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GRI 305 Emissions 2016	305-1	Direct (Scope 1) GHG emissions	176
	305-2	Energy indirect (Scope 2) GHG emissions	176
	305-3	Other indirect (Scope 3) GHG emissions	76
	305-4	GHG emissions intensity	76
	305-5	Reduction of GHG emissions	76
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other	175
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GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	84
	103-2	The management approach and its components	84
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GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	56-57
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GRI 307 Environmental Compliance	306-2	Non-compliance with environmental laws and regulations	177
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	103-2	The management approach and its components	54
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GRI 401 Employment	401-1	New employee hires and employee turnover	63

GRI Standard 2016	Disclosure	Page No IAR	
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GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	56-57
	103-2	The management approach and its components	56-57
	103-3	Evaluation of the management approach	56-57
GRI 403 Occupational Health & Safety 2018	403-9	Work-related injuries	169
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GRI 413 Training & Education	404-1	Average hours of training per year per employee	167
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GRI 413 Local Communities	413-1	"Operations with local community engagement, impact assessments, and development programs"	64-73



Board's Report

To the Members

Your Directors are pleased to present Annual Report of your Company, along with Audited Financial Statements for the financial year ended 31st March, 2022.

Operations

India and the world were plagued by the resurgence of Covid-19 pandemic especially during the first and the last quarters. This led to disruption both on the supply and demand side as geographies were impacted in varying degrees at different points of time. As a nation however, we displayed greater resilience which was reflected in the gradual yet sustained recovery of the economy.

At JK Tyre, the well-being of employees and stakeholders continued to be of prime importance. The emphasis on Covid appropriate behaviour, observance of safety protocols, thrust on vaccination coupled with increasing adoption of digital business processes enabled safer operations. The JK CARES program was envisioned and implemented which enabled support to the families of those employees who unfortunately lost their lives during the pandemic.

Your Company adopted an agile business strategy which was periodically calibrated to address dynamic market conditions encompassing two Covid waves & global geopolitical uncertainty in Q4. Disruption in supply chains and high oil prices led to a sharp increase of about 30% in the input prices for the tyre industry.

The increase in raw material prices could only be partially offset by higher price realisation to the extent possible which impacted margins for the tyre industry as a whole and JK Tyre was no exception.

Aggressive market expansion, brand building efforts, enrichment of product portfolio with innovative products - the SMART Tyre range and premium product range across categories, new OEM approvals, and thrust on exports ensured robust business growth.

With our inherent capabilities, and nimble footed approach, we are well poised to withstand any challenges and capture future market growth. Customer Obsession and trust will continue to be the corner stone of our strategy.

Key Highlights - FY 2021-22

During the year, the Company achieved several new landmarks, a few of which are given hereunder:

1. Highest ever revenue - ₹12,020 crores, a growth of 31% on a consolidated basis
2. Subsidiaries - JK Tornel and Cavendish Industries Ltd. also achieved highest turnover
3. Exports stood at ₹1,873 crores as against ₹1,176 crores, up by 59%

4. All plants are operating at a capacity utilisation of ~90%
5. Raw Material price increased by about 28%, net impact on selling prices is approx. 19%, increase in selling price ~11% - impacted margins
6. Launched several innovative products - Smart Tyre range, Puncture Guard, High performance tyres
7. Increased market reach by expanding channel - currently 6000+ dealers and 650+ brand shops
8. Enhanced the share of power through renewables sources to 53% and use of biomass in place of coal to 22%
9. World's lowest energy consumption amongst top 3 tyre manufacturers globally - 8.83 GJ/Tonnes. Reducing GHG Emission every year to 0.78 Eq. CO2 / MT. JK Tyre is the Global benchmark for the lowest raw water use 1.72 KL/Tonnes
10. More than 10 Lac people have benefitted over the years from multiple CSR programs targeted towards improvement of health and sanitation, skill development, education, and environment. A special drive was launched to combat the Covid-19 pandemic

Raw Material

The year 2021-22 was highly challenging for raw material procurement as the pandemic completely redefined established supply chain protocols.

The year commenced with muted demand, which however witnessed an upswing during H2. While businesses were just recovering from the impact, sudden revival in demand led to an imbalance in the supply chain. This was further aggravated by shipping vessel shortages and increased freight costs. Our Company made suitable alternative arrangements which helped us in ensuring regular flow of materials. The various actions included expansion of supplier base, advance planning and re-organisation of logistics which ensured production continuity at optimised costs for the Company.

Product Innovation

At JK Tyre, the journey of product innovation continued with full rollout of the SMART Tyre range and the introduction of the Puncture Guard Range of tyres which is yet another industry first. The SMART Tyre is the way of the future as these tyres deploy AI based TPMS (Tyre Pressure Monitoring System) technology to monitor the health of the tyre thereby ensuring safer driving while optimising the tyre life and better fuel efficiency thus leading to lower carbon emissions. This concept has immense synergy with our green ethos as well as our consistent efforts to promote the cause of road safety. The aggressive multichannel marketing, led by a futuristic TVC featuring Narain Karthikeyan, India's first F 1 driver and JK Tyre Brand ambassador

witnessed a high degree of digital engagement, brand visibility and user awareness.

The Puncture Guard technology is available in premium PCR Range with Anti Puncture technology which enables trouble free personal mobility with enhanced tyre life and lower maintenance cost.

These innovations are an outcome of our intense emphasis on Technology and R&D which have enabled us to stay ahead of the curve in the rapidly evolving customer and regulatory requirements for domestic as well as global markets. Our Global R&D and Tech centre the "Raghupati Singhania Centre of Excellence" located at Mysuru continues to render pioneering work to the industry, including partnering with electric vehicle manufacturers to meet the paradigm shift in the power train electrification of EV products.

In addition, state-of-the-art predictive technology and solutions are developed at our "RPS Centre of Excellence" at IIT, Madras.

Subsidiaries

Both the subsidiaries namely- JK Tornel, Mexico and Cavendish Industries Ltd. (CIL) achieved several new landmarks and contributed significantly to JK Tyre's growth.

JK Tornel

JK Tornel, Mexico achieved highest ever Turnover of ₹2,120 crores recording an impressive growth of 87% over last year. JK Tornel focused on improving sales to US and Brazil markets apart from enhancing volumes to mass merchandisers. It is indeed a matter of great pride that JK Tornel was chosen by Walmart as 'No.1 Supplier' in the home essentials categories out of 300 suppliers. With the introduction of several new products in the Mexican markets, the Company continued to maintain highest replacement market share in the PCR Market. In addition to sales growth, the Company also focussed on improving manufacturing efficiencies. As a result of these initiatives, the Company recorded better margins during the year.

Cavendish Industries Ltd.

During the year under review, the Company achieved highest ever Turnover of ₹2,988 crores, thus recording a growth of 16% over last year. This growth has been achieved in all product categories viz., Truck Bias, Truck Radial and 2/3 Wheeler tyres. During the year, the Company launched several new products including range of Tubeless Truck Radial Tyres for several global markets and also entered New OEMs viz., Electrotherm India, Coslight India and several others for supply of EV 2/3 wheeler tyres.

The Company received several accolades during the year including Best Supplier's award by TATA Motors. It also achieved new landmarks in several efficiency parameters in terms of energy consumption, manpower productivity, etc.

As was true for the tyre industry, the Company was also impacted by the steep increase in cost of inputs without commensurate increase in selling prices, which impacted margins.

Sustainability

As a responsible global tyre manufacturer, JK Tyre continued on the journey to build a sustainable society by balancing our operations through 6"R" strategy viz. **Reduce, Reuse, Recycle, Renew, Redesign** and **Remanufacture**. JK Tyre is committed to the goal of being Green and Clean Company with sustainable use of green energy, resulting in the reduction of greenhouse gases and dependence on fossil fuels. This focus on energy and resource conservation has enabled the Company to increase the usage of biomass in its fuel mix to 22% and use of renewables in its power mix to 55%.

All these efforts have enabled us to reduce the carbon emission intensity by 57% in last 8 years and we are amongst the most energy efficient tyre manufacturers globally.

Along with the Company's stronghold on alternate fuels, JK Tyre has earned the distinction of becoming the lowest water consuming Company establishing the new standards in the tyre industry globally. We continue to remain "Zero waste to landfill" in all our plants, ensuring that no waste went to the landfills and also remains single use plastic free.

Awards

JK Tyre is proud to be recognised with numerous accolades including the:

- CII Active Customer Engagement award a first in the tyre industry
- Brand of the Decade 2021
- First and only Tyre Super brand in the country for the 8th time in a row
- The Economic Times Iconic Brand award 2021
- JK Tyre has been "Certified as Great Place to Work" 2021-22, for the 3rd consecutive year
- Recognised as one of India's 30 Best Workplaces in Manufacturing -2022 - Certified by Great Place to Work
- Globe of Honour (GOH) Award to Kankroli Tyre Plant, Vikrant Tyre Plant & Chennai Tyre Plant by British Safety Council (BSC)
- Greenco rating system in Gold was won by Banmore Tyre Plant
- UCCI Excellence Award 2022 in CSR
- India's Most sustainable Companies - Top 30
- CII National Energy Management Award 2021
- CII National Award for Excellence in Water Management 2021
- National Energy Conservation Award 2021 by BEE, Ministry of Power, Gol
- Quality Sustainability award by Indian Society for Quality
- SEEM National Energy Management Award 2021 (SNEMA 2021)
- National Energy Conservation Awards 2021 (NECA 2021)



Dividend

Your Directors are pleased to recommend a dividend of ₹1.50 per equity share of ₹2 each (i.e., 75%) on the equity share capital of ₹49.25 crores for the financial year ended 31st March 2022. The dividend outgo will be ₹36.93 crores. The Dividend is subject to approval of the members at the ensuing Annual General Meeting and also subject to deduction of tax at source, as may be applicable. The dividend pay-out is in accordance with the Dividend Distribution Policy of the Company.

Appropriations

The amount available for appropriation, including surplus from the previous year, stood at ₹1,115.77 crores and the same has been carried forward to Balance Sheet.

Annual Return

The Annual Return referred to in Section 134(3)(a) of the Companies Act, 2013 is available on the website of the Company: <https://www.jktyre.com/annual-returns.aspx>

Related Party Transactions

During the financial year ended 31st March 2022, all contracts or arrangements or transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), as applicable.

Further, the Company did not enter into any contract or arrangement or transaction with related parties that could be considered material in accordance with the policy of the Company on materiality of related party transactions. In view of the above, disclosure in FORM AOC-2 is not applicable.

The Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, as amended and approved by the Board, is available on the Company's website.

Particulars of Loans, Guarantees and Investments

The particulars of loans, guarantees, securities and investments, covered under the provisions of Section 186 of the Companies Act 2013, are furnished in the financial statements.

Directors and Key Managerial Personnel

Shri Bharat Hari Singhania has been a Managing Director (MD) of the Company since 1994. Upon determination of the five years tenure of Shri B.H. Singhania as a MD and his desire for not seeking re-appointment for a fresh term, Shri Singhania ceased to be a MD and a Key Managerial Personnel effective 1st October 2021. He, however continues to be a Non-Executive Director of the Company. The Board placed on record its deep appreciation for the valuable services rendered by Shri B.H. Singhania during his long tenure as a MD.

Smt. Sunanda Singhania retires by rotation and, being eligible, offers herself for re-appointment at the ensuing AGM. The Board recommends re-appointment of Smt. Sunanda Singhania.

Further, there were no other changes in the Directors/Key Managerial Personnel of the Company during the year.

Declarations have been received from all the Independent Directors of the Company that they meet the criteria of independence prescribed under the Companies Act, 2013 and the SEBI Listing Regulations. All the Independent Directors are registered on the Independent Directors Data Bank.

Conservation of Energy, etc.

The details, as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014, are annexed to this Report as Annexure 'A' and forms a part of it.

Consolidated Financial Statements

The consolidated financial statements of your Company for the financial year ended 31st March 2022 have been prepared in accordance with the provisions of the Companies Act, 2013, SEBI Listing Regulations and the Accounting Standards. The audited consolidated financial statements, together with the Auditors' Report, form a part of the Annual Report. A report on each of the subsidiaries and associates together with highlights of their performances and financial positions including highlights of their contribution to the overall performance of the Company, is presented in a separate section in the Annual Report. Please refer to AOC-1 annexed to the financial statements in the Annual Report and the notes to the consolidated financial statements.

Pursuant to the provisions of Section 136 of the Companies Act, 2013 the financial statements, the consolidated financial statements, along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

During the financial year under review, no Company has become or ceased to be your Company's subsidiary or associate. The Company does not have any Joint Venture.

Deposits

Pursuant to the approval of members by means of a special resolution dated 22nd September 2015, the Company has been accepting public deposits, in accordance with the provisions of the Companies Act, 2013 and rules thereunder.

The particulars with respect to deposits covered under Chapter V of the said Act, for the financial year ended 31st March 2022 are:

- accepted during the year - ₹43.68 crores;
- remained unpaid or unclaimed as at the end of the year - ₹1.24 crores;
- default in repayment of deposits or payment of interest thereon at the beginning of the year, maximum during the year and at the end of the year - Nil; and

- details of deposits which are not in compliance with the requirements of Chapter V of the said Act - Nil.

Auditors

(a) Statutory Auditors and their Report

In accordance with the provisions of the Companies Act, 2013 and rules thereunder, M/s S S Kothari Mehta & Company, Chartered Accountants, were re-appointed Auditors of the Company to hold office from the conclusion of the 67th Annual General Meeting (AGM) held on 22nd September 2020 until the conclusion of the 72nd AGM to be held in the year 2025. The observations of the auditors in their report on accounts and the financial statements read with the relevant notes are self-explanatory. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer. Further, no fraud has been reported by the Auditors to the Audit Committee or the Board.

(b) Secretarial Auditor and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors appointed Shri Namu Narain Agarwal, Company Secretary in Practice, as Secretarial Auditor to carry out the secretarial audit of the Company for the FY 2021-22. The Report, given by him for the said financial year in the prescribed format, is annexed to this Report as Annexure 'B.1'. The secretarial audit report does not contain any qualifications, reservations or adverse remarks or disclaimer.

The Company has one material unlisted subsidiary incorporated in India, namely - Cavendish Industries Ltd. (CIL). The Secretarial Audit Report of Shri Namu Narain Agarwal, the Secretarial Auditor, for the FY 2021-22 of CIL in the prescribed format is annexed -Annexure 'B.2'.

(c) Cost Auditor and Cost Audit Report

The Company is required to maintain the cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained by the Company. The Cost Audit for the financial year ended 31st March 2021 was conducted by M/s R.J. Goel & Co., Cost Accountants, Delhi, and as required, the Cost Audit Report was duly filed with the Ministry of Corporate Affairs, Government of India. The Audit of the cost accounts of the Company for the financial year ended 31st March 2022 is also being conducted by the said firm.

Particulars of Remuneration

Details as required under the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are placed on the Company's website www.jktyre.com as an annexure to the Board's Report. A physical copy of the same will be

made available to any shareholder on request, as per provisions of Section 136(1) of the said Act.

Details as required under the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the said Rules, which form part of the Board's Report, will be made available to any shareholder on request, as per provisions of Section 136(1) of the said Act.

Corporate Social Responsibility

As a responsible corporate citizen, the Company has been undertaking and participating in the socially important projects in the fields of health, education, rural development, adult literacy, renewable energy, among others - ever since it commenced operations i.e., even before Corporate Social Responsibility (CSR) was mandated by law.

The Company has also framed a CSR Policy in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The CSR Policy of the Company, the Projects approved by the Board, the composition of the CSR Committee and other relevant details are disclosed on the website of the Company.

The annual report on the CSR activities undertaken by the Company during the financial year under review, in the prescribed format is annexed to this Report as Annexure 'C'.

Internal Financial Controls

With a view to have a robust Internal Financial Control system, the Company has put in place budgetary controls, internal reporting policies and procedures. The key financial controls to the extent possible have been documented for respective business processes. These systems, policies, procedures and key financial controls are reviewed from time to time for necessary updation. This ensures accuracy and completeness of the accounting records, safeguarding of the assets and resources of the Company and also helps in prevention and detection of frauds and errors. The policies and procedures are also adequate for orderly and efficient conduct of business of the Company. The Company also has a robust management information system commensurate with the size and nature of its operations, which not only facilitates speedy business decisions but also helps in sharing reliable information across various levels in the Company. No reportable material weaknesses were observed in the system during the year.

Significant and Material Orders passed by the Regulators or Courts or Tribunals

The Competition Commission of India ("CCI") on 2nd February 2022 published an Order dated 31st August 2018 for alleged contravention of Section 3 of the Competition Act, 2002 against the Company and certain other domestic tyre manufacturing companies and had imposed a penalty of ₹309.95 crores on the Company. The Company has now filed an Appeal before the Hon'ble National Company Law Appellate Tribunal against the said CCI Order. Shri Arun K. Bajoria,



Director & President - International Operations and one executive (former Sales Marketing Head) of the Company, have also filed appeal(s) before the said Tribunal since they have also been imposed a penalty of ₹16.45 Lakh and ₹4.65 Lakh, respectively by CCI vide its said Order dated 31st August 2018. It is strongly reiterated that there has been no wrongdoing on the part of the Company and that the Company never indulged in or was part of any cartel or undertook any anti-competitive practices.

There were no significant and material orders passed by the regulators or courts or tribunals that could impact the going concern status of the Company and its future operations.

Material Changes and Commitments

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of this report.

Details of Application made or any Proceedings Pending Under Insolvency and Bankruptcy Code

During the year under review, no application has been made nor any proceedings are pending under the Insolvency and Bankruptcy Code, 2016.

Change in the Nature of Business

During the year under review, there was no change in the nature of business.

Business Responsibility and Sustainability Report

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility and Sustainability Report of the Company for the financial year ended 31st March 2022 in the prescribed format, giving an overview of the initiatives taken by the Company from an environmental, social and governance perspective is given in a separate section of the Annual Report and forms part of it.

Corporate Governance - including details pertaining to Board Meetings, Nomination and Remuneration Policy, Performance Evaluation, Risk Management, Audit Committee and Vigil Mechanism, Etc.

Your Company reaffirms its commitment to the highest standards of corporate governance practices. Pursuant to the SEBI Listing Regulations, a Management Discussion and Analysis, Corporate Governance Report and Auditor's Certificate regarding compliance of conditions of Corporate Governance are made a part of this Report as Annexures - 'D' & 'E'.

The Corporate Governance Report which forms part of this Report also covers the following:

- (a) Particulars of the four Board Meetings held during the financial year under review.
- (b) Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management including, inter alia, the criteria for performance evaluation of Directors. The Policy is also available on the website of the Company at www.jktyre.com.
- (c) The manner in which formal annual evaluation of the performance of the Board, its Committees and of individual Directors has been made.
- (d) The details with respect to composition of the Audit Committee and establishment of Vigil Mechanism.
- (e) Details regarding Risk Management.
- (f) Dividend Distribution Policy.
- (g) Compliance with provisions under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Directors' Responsibility Statement

As required under Section 134(3)(c) of the Companies Act, 2013, your Directors state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) the accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and
- (f) the proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

Your Directors further state that applicable Secretarial Standards issued under Section 118 of the Companies Act, 2013 have been complied with.

Acknowledgements

Your Directors wish to place on record their appreciation for the continued support and cooperation received from various State Governments including those of Rajasthan, Madhya Pradesh, Karnataka, Tamil Nadu, Uttarakhand as well as the Governments of India and Mexico. The Directors also thank the banks, shareholders, suppliers, dealers and in particular the valued customers for their trust and patronage.

Your Directors record their appreciation for the dedication and hard work put in by Teams - JK Tyre, CIL & JK Tormel particularly during the socio-economic challenges and disruptions caused by ongoing Covid-19 pandemic, which has enabled the Company to continue to grow stronger.

On behalf of the Board of Directors

20th May, 2022
New Delhi

Dr. Raghupati Singhania
Chairman & Managing Director



Annexure A to the Board's Report

Conservation of Energy, etc.

A. Conservation of Energy

JK Tyre as a company is committed to the goal of being Green and Clean Company with sustainable use of energy. The Company continued to give major emphasis on conservation of energy and the measures taken during the previous years were continued. Energy conservation is the act of saving energy through efficient processes thus reduce consumption. In alignment to this principle JK Tyre as a company has achieved new milestones to reduce the energy consumption.

Our commitment to ecological sustainability extends beyond efforts to make products greener, in our manufacturing facilities maintaining highest environmental standards and reducing our carbon footprint in every facet of our global business.

This focus on energy and resource conservation has enabled the Company to increase the renewable in its fuel mix to approx. 22% and sustain renewables in its power mix to 53% with the objective to increase the renewable energy share by 2-5% annually. With this happening in right direction, the company's focus is to work on substituting the thermal energy with renewable sources. Company has already started in this direction and meeting its fair amount of thermal energy requirement through other sources replacing coal.

All these efforts have significantly curbed the carbon emission in our process and enabled us to reduce the emission intensity by almost 57% in last 8 years to meet our statement of green and clean company. We are now amongst the most energy efficient tyre manufacturer globally.

Over the years, the organisation has adopted many measures to bring down energy consumption at its plant. Taking the learning from our own efforts how to conserve the energy and utilise efficiently, we have horizontally deployed the ideas to all manufacturing units to take them to optimum level of energy consumption. With these efforts JK Tyre is recognised today as one of the global leaders for the lowest energy consumption. Along with the company's stronghold on alternate fuel, JK Tyre has earned the distinction of becoming one of the lowest water-consuming companies, establishing the new standards in the tyre industry. JK Tyre also started the initiative "Zero waste to landfill" in all their plants, ensuring no waste went to the landfills.

B. Technology Absorption

a) Research & Development

i) Areas of R&D activities

Globally sustainable mobility is gaining its momentum. Current and future economic system is aimed at eliminating waste

and efficient use of resources (Circular Economy). Resource efficiency, competitiveness, innovativeness and transformation are the "Mantra" of our business. Keeping this focus, our Research & Development team is incessantly working in the following thrust areas:

- New generation polymer and filler materials for tyre performance improvement
- Bio sourced (green) material development
- Exploiting Nano-material technology
- Increase usage of recycled material in tyres
- Multi scale (nanometre to meter scale) simulation tool development for virtual product development and design cycle time compression
- Deployment of data science and artificial intelligence
- Smart tyre development employing transducers/sensors to effectively improve safety and vehicle dynamic performance
- Self-sealing technology for tyre for better reliability and safety
- EV tyre technology development
- Development of virtual tyre using virtual proving ground for faster and first-time right products
- Continuous improvement in manufacturing/process technology to improve overall productivity, quality and performance while reducing the cost, waste and scrap

Use of software-based predictive performance analysis and simulation studies, application of virtual proving ground with an idea to give thrust to concept of vertical engineering. This will enable us working more closely with OEM customers from the very initial stages of design, with the ultimate aim of providing a superior and first-time right product to customer exceeding their expectations.

Use of sophisticated state of the art experimental methods at laboratory scale, not only to verify and validate software-based simulation results but also to measure parameters of influences affecting product performance, thus, optimally supplement through extensive physical evaluation. This has led to some of the very innovative products, first in industry which will provide an edge in the marketplace.

b) Expenditure on R&D

The expenditure on R&D during the year was ₹ 88.34 crores, which was 1.10% of the turnover.

c) Technology, Absorption and Innovation

i) Efforts towards Technology Absorption, Adaption and Innovation

To be able to continuously compete with the global giants and match product performance, your company's in-house R&D Centre is keenly pursuing technology sustenance through the concept of Technology Self Reliance. To achieve this, R&D team jointly working with different universities and institutes of national importance (IIT Kharagpur, IIT Madras, IISc Bangalore, University of Calcutta, Hari Shankar Singhania Elastomer & Tyre Research Institute) including some foreign universities and research institutes (CenTire-USA, IPF Dresden, Germany) in the field of advanced material, nano technology, advanced tyre mechanics, vehicle dynamics, ride and handling, and tyre-road-vehicle interaction. We are also engaging global experts in this field to support our R&D endeavour.

Driven by the technological expertise of producing high performance tyres for all markets we operate in and especially for Indian conditions, your company, aims to revolutionise the industry with puncture guard tyres for new generation cars available in market. The puncture guard tyre technology, with specially engineered self-sealing elastomer inner coat, applied inside the tyres through an automated process, seals the punctures. Tyres with this technology can self-repair the multiple punctures, in the tread area, due to nails or other sharp objects up to 6.0 mm diameter, instantly. Puncture guard tyre offers hassle free ride, high level of safety and convenience to vehicle owners throughout the life of tyres.

In addition, our in-house R&D team is continuously supporting the "Satellite Product Development Centre" at Mexico to service the customers in the Americas both OEMs and after markets.

ii) Benefits derived as a result of above efforts are:

The Company has derived immense benefits as a result of the above efforts in the areas of new product development, green technology, product performance improvement, cost optimisation, improved product reliability and optimisation of material usage including waste and scrap reduction.

We have launched best-in-class products after intensive in-house and on road validation. We have run tyres on road for thousands of kilometres and established superiority over other available products before launching with concerted efforts and focussed approach towards product excellence.

We have released following products:

TBR:

- 20 new products released for domestic (4) and export (16) markets
- 11 OEM approval in C3 category in TBR/all steel LTR (major OEMs-TML, Ashok Leyland, DICV, VECV and FML)
- Best-in-class high mileage lug tyre – JDH XM launched in 295/90R20 size for long haul and regional application

- Next generation all wheel semi lug pattern JUC XM launched in 295/90R20 for tipper and multi axle vehicle segment
- Premium pattern extension of JUH5 brand in 11.00R20 size
- Smallest all steel light truck radial tyre developed – 7.00R16 JUH5
- State-of-the-art new tyre design released for 7 SKUs in 22.5" and 17.5 "sizes for SMART EV tyres (TBR/all steel LTR). Trial is ongoing for 3 SKUs fitted in OEMs, EVs and EV bus fleets under JK mobility solution team
- Developed fuel efficient tubeless range (295/80R22.5) with multiple technological advancements for ensuring superior fuel efficiency and enhanced durability – under testing at TML and DICV and also in replacement market
- Successful introduction of premium product range JUH5 & JDE++ in 8.25R20 & 9.00R20 at Ashok Leyland and in 8.25R20 at VECV
- Technical release signoff document is received from TML for meeting Low RRC phase-II requirement in 295/90R20 size for next generation low RR tyres JUL XF and JDL XF, further, to meeting the stringent fuel efficiency and tyre mileage targets in real world usage tests as well as TML outdoor test
- Smart tyres – Commercial tyres with TPMS sensors. Extended to multiple tubeless sizes and being deployed in various fleets through fleet mobility team
- Regulatory – TBR product range of tyres certified to meet European requirements in terms of snow grip (3PMSF marking), R117 stage 2 requirement and ready for upcoming AIS142 stage-2 requirement in domestic market
- First Mixed application Super Single Tyre 385/65R22.5 JETWAY JUC-XD developed at CTP in October 2021 for export market in Europe
- Tyre with 60 Aspect Ratio (315/60R22.5 JETSTEEL JDL3) developed for first time at CTP for export market

PLT:

- 62 No of new products launched for domestic (OEM + replacement) and export
- 7 OEM approvals received and 3 are under approvals
- Developed low RRc tyres for Tata Ace, Intra 1300 and Yodha
- Ultra-Low RRc tyre developed for EV vehicles (215/60R16 UX Royale- 6.4N/kN, 175/65R14 UX Royale- 6.5N/kN) under test at OEMs
- Development and release of two new low RRc tread cap compounds and two low RRc reinforcement coating compounds
- 8 best mileage SKUs released in PCR Aftermarket
- 7.50R16 JUH STEEL New pattern developed in LTR for export application



- 14 SKU with Puncture Guard Technology released
- Two new tread patterns in motor sports released in Gravel and Tarmac. Ranger XRG and Ranger XRT

TBB:**Market introduction / Commercial Release:**

- Total 23 SKUs commercially released in TBB, LCV and SCV segments having enhanced performance with respect to mileage, durability, load carrying capacity, structural rigidity and re-tread-ability
- 4 mining SKUs introduced to Egypt Market with ECE marking
- Recent OEM approvals -2 nos in new vehicle models of Swaraj Mazda Limited
- 4 SKUs received technical approval from Tractors India Limited
- Started supply of 12.00-20 JET ROCK XD for Daimler India Commercial Vehicles – Tipper 3528CM (8X4)
- Designed and developed new generation Rib, Lug and Mining patterns with unique selling proposition viz. extra high mileage, enhanced durability and load carrying capacity
- Low Rolling Resistance tyres - Developed and released low RRC tyres to export market meeting stage 2 requirement as per GSO and SASO
- Developed low RRC Bias tyres for Tata Motors Limited for their Tipper model. Joint field evaluation to monitor tyre performance in progress
- Bias tyre for Electric vehicle: “Propel Industries” India’s largest crusher machine manufacturer recently started the EV vertical and approved 12.00-20 JET ROCK XD for their vehicle model 6X4 e-Tipper
- All Terrain (A/T) tyres – Developed in LCV/SCV segment perfect for both dry and wet roads with advanced tread design for a quiet, comfortable ride, mileage and load carrying capacity
- Mud Terrain (M/T) tyres – Developed in LCV/SCV segment for all wheel application in muddy and wet road conditions with excellent traction and directional stability in mud and off roads
- SAND tyres – Developed in LCV/SCV segments having balloon shaped cavity for reduced contact pressure in sand, plain and straight tread rib pattern for reduced soil disturbance and flexible sidewall region for excellent floatation
- Developed Under-Ground Mining specific tyres with high cut and chip resistance using premium compound and design / dimensions

Pre-Cured Tread Rubber:

- Added to an excellent range of products with best-in-class mileage, developed and commercially released 13 more SKUs for radial and bias category
- Fuel efficient re-treads – Extended the low rolling resistance “XM” series in other premium products in this segment

Motorcycle Tyres:

- 18 No of new products launched for domestic (OEM + Replacement) and export
- Approved in TVS Apache (Fr: 90/90-17 BF44 TL; Rr: 110/80-17 BR44 TL) – TVS Apache is the flagship Model of TVS motors. JKTL is the only tyre company other than TVS Srichakra supplying for this model
- Vehicle: TVS ZEST (Fr: 90/100-10 Blaze BA 21 TL; Rr: 90/90-10 Blaze BA 21 TL) – First OE approval for JK tyre in scooter segment
- Approved in TVS NTOURQ, a premium product of TVS motors (Fr 100/80-12 BF 44 TL; 110/80-12 BR 44 TL)
- New range “H” rated tyres developed in motorcycle bias tyres: capable of running up to 210 kmph to cater to the high-performance motorcycle segment. (Sizes: 100/80-17 BF43TL;90/80-17 BF43 TL;140/60-17 BR43 TL, 150/60-17 BR43 TL, 140/70-17 BR43 TL)
- 60 Aspect Ratio Tyres developed for replacement market for high performance Bikes (Size: 140/60-17 and 150/60-17)
- Low Rolling resistance products developed for OEM(HMCL) with up to 15% lower Rolling resistance (Approval under progress).

OHT:

- 30 New products launched for Domestic and International Market (OEM and replacement)
- 22 Products approved by OEM (both domestic and international) – Major OEM’s Include – JCB, L&T, CAPTAIN TRACTORS etc.
- Developed 13 Farm tyres for Mahindra U.S.A. and supplies started from Mexico duly assembled on RIM
- Entry into new Puddling segment with “SHRESTH PUDDLING MASTER” pattern having extra deep tread design with improved self-cleaning ability
- “VEM 045 XD” product developed in 24.00-35 size with extra deep tread and improved casing strength especially for limestone mines

- A new directional Tread pattern “MPT 117” designed with “High centre mass for improved road-ability and better mileage” for BHL application

Quality Management Systems

JK Tyre & Industries continues its pursuit for adopting, maintaining and upgrading its Quality Management Systems companywide to remain best-in-class. To ensure that we remain customer centric through our system driven controls, JK Tyre continues to retain and reinforce the crucial certifications encompassing IATF 16949, ISO9001, ISO 14001, ISO 45001, ISO 50001, ISO 27001, ISO22301, ISO 17025 NABL and SA 8000. We have further aligned to requirements of internationally acclaimed organisations e.g., British Safety Council (BSC-UK) on safety and environment, Japan Institute of Plant Maintenance (JIPM) on TPM and and Japanese Union of Japanese Scientists and Engineers (JUSE) on TQM.

Our prioritisation on quality of safety has resulted in achieving global recognition like Sword of Honour (5-star rating) for all our 5 manufacturing locations and Globe of Honour for 3 of our manufacturing locations. Subsequent to achieving the Globe of Honour awards, our plants - CTP, VTP and KTP have been certified in Health and Safety category with award from RoSPA, UK. Our KTP has achieved Assessment of Food Safety of canteen with HACCP Criteria and Plastic Waste Certification for Single Plastic use. Our CTP has now achieved the award for excellence in consistent TPM commitment. Life Cycle Assessment (LCA) for 3 Products has been done and is underway for more products.

The company has attained maturity stage on the journey of TQM for business excellence. The cultural transformation achieved so far has helped setting-in a regime of continuous improvement on all the aspects of Productivity, Quality, Cost, Delivery, Safety and Morale. The cross functional focus coupled with continuous improvement aimed at internal and external customer satisfaction has further resulted in enhanced consistency of quality through entire supply chain of the organisation. Focus on total employee engagement has delivered enhanced participation by JK teams at various QCFL events at state level - CCQC, national level - NCQC and international level – ICQCC. The company is extending the rigour of TQM to all its stakeholders especially Suppliers and Dealers as a part of strengthening end-to-end quality.

Process Technology

Quick Adaptation of best-in-class manufacturing processes, coupled with forward-thinking approach helped in staying ahead in new product industrialisation and manufacturing excellence.

Performance enhancement of current products were carried-out with new process introduction, process upgradations, control of “critical to quality” parameters with focus on emerging global trends. The enhanced focus on digital technologies enabled streamlining complex processes to increase reliability, end-to-end traceability, consistency and productivity improvements. Development and upgradation of processes to stay updated with evolving product requirements of low rolling resistance, noise/vibration and durability was another crucial area where substantial progress achieved. Additional controls were installed with advanced equipment such as Dynamic Mechanical Analyser, High Speed Uniformity, Profile Calendars, etc. to meet the stringent quality demands.

Challenges of raw material availability and increase in product output demand in the prevailing global situation were adequately addressed with improved agility, proactive approach and fast-track approval cycles. This helped in mitigating the risks effectively for uninterrupted plant operation with increased delivery and procurement flexibility. Industrialisation of advanced materials and products were further strengthened to gear-up to current and emerging customer requirements. Structured and focussed efforts were deployed to enhance the OE yield, improved first-time-quality and reduced process waste. Value engineering efforts were continued in optimising raw material consumption, alternate sourcing, alternate material development, process cycle time reduction and energy conservation, which ensures cost competitiveness.

Process consistency being the key to deliver consistent quality of products, focused approach to continuously evaluate the variables and take prompt actions has improved our product performance in each category. Everyone in our plants is aligned towards this goal.

C. Export, Foreign Exchange Earnings and Outgo

	₹ crore	
	2021-22	2020-21
Export, Foreign Exchange Earnings	1,560.26	1,093.38
Foreign Exchange Outgo	2,248.19	1,304.73

On behalf of the Board of Directors

20th May 2022
New Delhi

Dr. Raghupati Singhania
Chairman & Managing Director

**Annexure B.1 to the Board's Report****MR 3****Secretarial Audit Report****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JK Tyre & Industries Ltd.,
Jaykaygram, PO - Tyre Factory,
Kankroli-313 342, Rajasthan

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JK Tyre & Industries Ltd. (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2022** (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - (Not applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - (Not applicable to the Company during the Audit Period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and 2021 - (Not applicable to the Company during the Audit Period);
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 - (Not applicable to the Company during the Audit Period); and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (vi) Management has identified and confirmed the following laws as being specifically applicable to the Company which have been complied with:-
 - (a) Pneumatic Tyres and Tubes for Automotive Vehicles (Quality Control) Order, 2009;
 - (b) Bureau of Indian Standards Act, 2016 and the Rules made thereunder as applicable to Tyre Industry; and
 - (c) Rubber Act, 1947 and Rubber Rules, 1955.
- I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standard 1 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India.

- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were also sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that based on review of compliance mechanism established by the Company and on the basis of compliance certificates issued by the Company Executives and taken on record by the Board of Directors and Audit Committee at their meetings, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that, during the audit period, the Company had the following specific major event:-

The Company's shareholding in Cavendish Industries Ltd. a subsidiary, has gone up from 71.91% to 74.13% on standalone basis and from 86.41% to 87.46% alongwith an another subsidiary, consequent to investment on rights issue basis in 47,87,679 equity shares @ ₹155/- per equity share of ₹10/- each.

Further, this report is to be read alongwith the following, stating that:-

- (1) Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- (2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- (3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (4) Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
- (5) The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- (7) The prevailing circumstances in the country on account of COVID-19 pandemic have, to some extent, impacted my verification of documents and records of the Company.

Namo Narain Agarwal

Secretarial Auditor

CP No. 3331, FCS 234

UDIN: F000234D000270592

Place: New Delhi

Date: 5th May 2022

**Annexure B.2 to the Board's Report****MR 3****Secretarial Audit Report of Cavendish Industries Ltd.
(a material unlisted subsidiary)****FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Cavendish Industries Limited
7, Council House Street,
Kolkata – 700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Cavendish Industries Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2022** (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliances-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; and
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) Management has identified and confirmed the following laws as being specifically applicable to the company which have been complied with: -

- (a) Pneumatic Tyres and Tubes for Automotive Vehicles (Quality Control) Order, 2009;
- (b) Bureau of Indian Standards Act, 2016 and the Rules made thereunder as applicable to Tyre Industry; and
- (c) Rubber Act, 1947 and Rubber Rules, 1955.

I have also examined compliance with the applicable clauses of the Secretarial Standard 1 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review, there is no change in the composition of the Board of Directors of the company.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were also sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that based on review of compliance mechanism established by the Company and on the basis of compliance certificates issued by the Company Executives and taken on record by the Board of Directors and Audit Committee at their meetings, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that, during the audit period, there was no specific major event, except the following-

The Company, on 22nd March 2022, allotted 47,97,702 equity shares of ₹10 each, at a premium of ₹145 per equity share, on rights basis to the existing equity shareholders for an aggregate amount of

₹74.36 crores, to finance expansion project, etc. Accordingly, the Company's paid-up equity share capital increased from ₹55.17 crores to ₹59.97 crores.

Further, this report is to be read along with the following, stating that:-

- (1) Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- (2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- (3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- (4) Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

- (5) The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management.

My examination was limited to the verification of procedures on test basis.

- (6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

- (7) The prevailing circumstances in the country on account of COVID-19 pandemic have, to some extent, impacted my verification of documents and records of the company.

Namo Narain Agarwal

Secretarial Auditor

CP No. 3331, FCS 234

UDIN: F000234D000319498

Place: New Delhi

Date: 13th May 2022



Annexure C to the Board's Report

Annual Report on the CSR activities undertaken by the Company during the financial year ended 31st March 2022

1. Brief outline on CSR Policy of the Company:

The Company has been one of the foremost proponents of inclusive growth and since inception, has been continuing to undertake projects for overall development and welfare of the society in areas pertaining to promoting preventive healthcare, education, livelihood intervention, rural development, environmental sustainability and conservation of natural resources, etc.

The Company aspires to continue to be a leading company in the Indian Tyre industry while maintaining a clear focus for inclusive growth to realize a truly empowered society. The Corporate Social Responsibility Policy (The Policy or the CSR Policy) has been framed in accordance with Section 135 of the Companies Act, 2013 (the Act) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules) as amended from time to time. The Policy shall apply to all CSR projects and activities to be undertaken by the Company. The Policy contains the approach and direction given by the Board of Directors, taking into account the recommendations of the CSR Committee.

This CSR Policy also lays down the guiding principles for selection, implementation and monitoring of activities as well as formulation of the Annual Action Plan to carry out CSR Projects by the Company.

2. Composition of the CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Raghupati Singhania	Chairman of the Committee/ Non-Independent Director	2	2
2.	Shri Arvind Singh Mewar	Member/ Independent Director	2	1
3.	Smt. Meera Shankar	Member/ Independent Director	2	2
4.	Shri Arun K. Bajoria	Member/ Non-Independent Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company : <http://www.jktyre.com/CSRPolicy.pdf>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) : Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ Lakh)	Amount required to be set-off for the financial year, if any (in ₹ Lakh)*
1	2020-21	1.47	NIL

* The Company has spent in excess of the requirement under the Companies Act, 2013 in the financial year 2020-21, however, the same is not proposed to be set off in the financial year 2021-22.

6. Average net profit of the Company as per section 135(5) : ₹25,178.58 Lakh

7. (a) Two percent of average net profit of the Company as per Section 135(5) : ₹503.57 Lakh
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil
 (c) Amount required to be set off for the financial year, if any : Nil
 (d) Total CSR obligation for the financial year (7a+7b-7c) : ₹503.57 Lakh

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Lakh)	Amount Unspent (₹ in Lakh)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
503.67	NOT APPLICABLE				

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project (State District)	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation (Yes/No)	Mode of Implementation - Through Implementing Agency (Name CSR Registration number)
NOT APPLICABLE										

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project (State District)	Amount spent for the project (₹ in Lakh)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency (Name CSR Registration number)
1.	Prevention of HIV AIDS	Cl.(j) Promoting healthcare including preventive healthcare and sanitation and making available safe drinking water	Yes	Rajasthan Rajsamand	5.00	No	Rajsamand Network of People Living with HIV Society CSR00001684
2.	Project Jyoti Kiran to provide better Eye Care to Drivers		No	Delhi, Uttar Pradesh, Himachal Pradesh, Rajasthan, Punjab, Bihar, Madhya Pradesh, Maharashtra, West Bengal, Tamil Nadu, Andhra Pradesh, Telangana	14.85	No	Sevamob CSR00001153
3.	Providing better health services through support to Hospital		Yes	Delhi New Delhi	75.00	No	PSRI Hospital CSR00002601
4.	Livelihood enhancement and water conservation project	Cl.(ii) Promoting Livelihood enhancement projects Cl. (iii) Promoting gender equality, empowering women Cl. (iv) Ensuring environmental sustainability and ecological balance	Yes	Rajasthan, Madhya Pradesh, Karnataka, Tamil Nadu	117.80	No	Seva Mandir JK Trust BIRD-Karnataka MYKAPS Hand in Hand CSR00000288 CSR00000006 CSR00000259 CSR00001643 CSR00001853
5.	Green Cover and environment conservation	Cl. (iv) Ensuring environmental sustainability and ecological balance	Yes	Rajasthan Rajsamand	18.50	Yes	- -



(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (₹ in Lakh)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
6.	School infrastructure development	Cl. (ii) Promoting education including special education and employment enhancing vocational skills	Yes	Rajasthan Karnataka Tamil Nadu	Rajsamand Mysuru Kancheepuram	39.10	No	MYKAPS, Hand in Hand, Dreamz Foundation Trust, Shri Dwarkesh Aksham Seva Sansthan Direct	CSR00001643 CSR00001853 CSR00008434 CSR00015635
			Yes No	Rajasthan Karnataka	Rajsamand Uttar Kannada				
7.	Support to Educational Institutes		No	Rajasthan	Jaipur	100.00	No	JK Lakshmi Pat University	CSR00018288
8.	Rural Development	Cl. (x) Rural development projects	Yes	Karnataka Tamil Nadu Rajasthan Madhya Pradesh	Mysuru Kancheepuram Rajsamand Morena	12.31 3.23	No Yes	Madras School of Social Work (SSER) Direct	CSR00002170
				Rajasthan Madhya Pradesh Karnataka Tamil Nadu	Rajsamand Morena Mysuru Kancheepuram	70.79	Yes		
TOTAL						479.69			

- (d) Amount spent in Administrative Overheads : ₹23.98 Lakh
- (e) Amount spent on Impact Assessment, if applicable : Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹503.67 Lakh
- (g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	503.57 Lakh
(ii)	Total amount spent for the Financial Year	503.67 Lakh
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.10 Lakh
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.10 Lakh

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NOT APPLICABLE							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1.	2.	3.	4.	5.	6.	7.	8.	9.
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

- (a) Date of creation or acquisition of the capital asset(s) : Not Applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset : Not Applicable
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5) : Not Applicable

(Arun K. Bajoria)
Director & President-International Operations

(Dr. Raghupati Singhania)
Chairman, CSR Committee

Date: 20th May 2022



Annexure D to the Board's Report

Management Discussion and Analysis

ECONOMIC AND BUSINESS ENVIRONMENT

The global economy continued to be plagued by uncertainty stemming from the recurring waves of the COVID-19 pandemic and consequential intermittent restrictions on mobility. The resultant supply chain disruptions, rising shipping costs and soaring commodity prices weighed heavily on the economic revival.

The Indian economy staged a sustained and gradual recovery, with economic output estimated to have grown at 8.7% during FY 2021-22 and surpassed pre-pandemic levels. The services industry, which forms more than half of the Indian economy, was hit the hardest, especially the contact-intensive businesses. However, growth in distance-enabled services partially balanced the scales. There was some volatility observed in the Industrial sector. However, despite the headwinds, several timely measures by the Govt. led to an overall growth with a contribution of 26% to the economic output. The Agricultural sector was least impacted and contributed approximately 20% of the economic output.

The Govt. leveraged real-time information based on 80, high-frequency indicators, including GST collection, E-way bill generation, freight movement, fuel consumption, and adopted an analytical and agile approach in policy decisions. Along with the introduction of pragmatic supply-side reforms, this approach had a positive impact on the economy. The emphasis on social safety measures and the rapid administration of vaccines served as the backbone of the comprehensive COVID management strategy, which helped in containing the setback to the economy.

The outlook seems promising with the government's planned capex and major thrust on infrastructural development and sustainable growth.

AUTOMOTIVE INDUSTRY

The Indian automotive industry continued to face multiple headwinds. The challenges included pandemic-induced business swings, semiconductor shortages, technology changes, dual fuel policy, regulatory safety requirements and the thrust on E-vehicles especially in the personal mobility space. Despite this, the Medium and Heavy Commercial Vehicle segment grew substantially by over 50% followed by the Light Commercial Vehicle segment at 22%.

The Passenger Vehicle segment grew marginally, but the SUV segment driven by new model launches in line with the shift in consumer preferences registered good growth.

The Tractor & Two-wheeler segment degrew marginally and the 2W segment also witnessed increasing adoption of electric vehicles.

The vehicle scrappage policy has been well received and should provide an impetus to the industry. It adds to the overall positive

outlook, with the government looking to increase the contribution of the automobile sector to the GDP to 12%. As part of the Automotive Mission Plan 2026, the industry is likely to create substantial employment opportunities, aligned with the country's vision of becoming a global manufacturing hub.

TYRE INDUSTRY

The performance of the Indian tyre industry is intertwined with a healthy automotive sector and derived tyre demand from economic activities. The intermittent pandemic-led disruptions, both on the demand and supply sides, kept the recovery fragile.

Industry production has grown across categories however, sales growth was larger in the domestic OEM market as well as exports. The growth in the after-sales volume was moderated to a high single digit.

Raw materials account more than 65% industry turnover; rising commodity prices led to substantial cost escalations which could not be fully passed on to the consumers, thereby impacting profitability.

New regulatory requirements are being imposed on the tyre industry. Measures to develop a circular economy, including management of waste are being introduced to meet sustainable development goals. Further, a mechanism for star rating of tyres and labelling requirements is also on the anvil.

A major paradigm shift in the automotive industry will be brought in with the powertrain electrification. Tyres form an integral part of this transformation. For instance, the replacement of the IC engine presents a set of conflicting challenges for the tyre industry as EVs are 10-20% heavier in similarly sized vehicles due to the battery weight. The industry is actively working towards innovative solutions to address the evolving needs and producing tyres that are more fuel efficient with lower rolling resistance, low noise, higher grip, and wear resistant.

JK TYRE - AN OVERVIEW

Age-old wisdom tells us that while it is not possible to change choppy seas or the direction of strong winds, surfing the waves by adjusting the sails enables one to journey ahead. This belief guided JK Tyre's agile navigation through a volatile business environment. The continued challenges we faced varied from demand swings to supply constraints and work disruptions to overall economic uncertainty. This scenario called for dynamic planning and quick responses, driven by a customer-centric approach. Our focussed efforts led us to success, as JK Tyre became the first tyre brand to be recognised with the Active Customer Engagement award by CII.

Some of the business initiatives include enhanced channel reach, Fleet Management 2.0, greater emphasis on granular planning and forecasting. Enhanced channel partner capability backed by digital

enablers resulted in seamless delivery of JK Tyre's products and service. New product launches across categories and aggressive brand building, especially the SMART Tyres' 360° campaign, ensured our brand vibrancy. The OEM business witnessed growth, and was supported by amplified participation in new vehicle models. We also undertook calibrated price hikes to partially offset the escalating costs.

BRAND JK TYRE

Driving brand premiumisation was a primary goal during the year. This called for a differentiated approach to the marketing initiatives as well as communications. We focused on

- Strategic media presence, including print, radio and TV;
- Increasing customer mindshare of our brand; and
- Stronger connect through various events and activations.

The first Indian driver to compete in Formula One, Narain Karthikeyan, led our marquee brand campaign of the year on the 'Smart Tyre' as the brand ambassador. High-impact media assets were engaged to drive visibility among the key demographics across the country using a multilingual approach to create relatability. Moreover, out of home (OOH) advertising was leveraged to create a differentiated brand identity and awareness of our key SKUs. We also focused on establishing strong customer connect through customer interaction programmes, through virtual and on-ground initiatives. Brand JK Tyre won multiple accolades through the year including the "Brand of the Decade" Award, celebrating the achievements and multi-platform initiatives undertaken.

DIGITAL MARKETING

Digital marketing continued to be a strong pillar for JK Tyre's brand building initiatives, and central to our visibility and engagement strategy. Our digital campaigns were based on rich media innovation and promoted to a highly curated audience; thus, improving our visibility across key target groups. The Smart Tyre campaign was largely driven through digital marketing, with the television commercial (TVC) garnering a landmark 110+ million views on digital platforms. Key digital influencers led the communication and promotions for the campaign, resulting in consistent growth in audience reach along with an inflow of queries as well as leads. The consistent and targeted brand campaigns have been successful in making JK Tyre the most followed Indian tyre brand on social media channels.

E-commerce continued to be a strong sales platform for us. While we witnessed significant growth in market share on popular e-commerce marketplaces, the lead generation campaigns led by Tyreplex and CarDekho were fruitful.

We also leveraged digital platforms to enhance online visibility for our channel partners, reaching nearly 40 million people across India. We were recognised for these initiatives with several awards and accolades.

SMART TYRE

The launch and promotion of Smart Tyre was planned and implemented on a large scale during the year and received an overwhelming response from all the stakeholders. The product's key features and advantages – comfort and safety enhancement, higher vehicle fuel efficiency and carbon footprint reduction – were extensively showcased across platforms. Regular training and development programs were conducted to educate the end customers as well as the channel partners.

COMMERCIAL – TRUCK, LCV & SCV

TRUCK

Post the second wave, recovery gained momentum. The Company sustained its drive on range premiumisation in "Truck/Bus Bias" and "Truck/Bus Radial" categories. Premium SKUs in the radial and bias category enjoyed preference among customers, with the Company becoming the first choice for customers in the aftermarket. Overall, radialisation in this segment crossed the 50% mark while in the OEM segment, radialisation crossed 70%. Next generation high performance products were introduced in Truck/Bus Radial segment for Normal load – Long haul application, i.e., JETSTEEL JDH XM, and Mixed application – JETWAY JUC XM. In Truck/Bus Bias segment, the Company introduced its new offering in Semi-Lug pattern JET POWER 100 for on-Off road application. The category also witnessed brand extension in the premium range.

An on-ground campaign was launched to educate transporters on our powerhouse products specific to their usage. In addition, dedicated campaigns were designed to promote products for the Super Heavy Load segment, resulting in engagement with large number of customers and users in high-consumption locations. An industry-first initiative 'Zindagi Ke Pahiye (a Customer Outreach Program)' was launched by JK Tyre.

LIGHT AND SMALL COMMERCIAL

Premium and application-based SKUs primarily governed performance of the LCV and SCV categories. The LCV Bias range shifted completely to the Jet Xtra XLM pattern owing to its high acceptance for universal application for both load and mileage. LCV/SCV digital connect programmes were conducted for end users in focus markets. In the Pick-up Bias category, a premium product Jumbo King + HD was introduced in two sizes that were in high demand thus sustaining JK Tyre's leadership position in the Pick-up segment. Our brand tie-up with ITC E-Choupal was effectively channelised to enhance our rural reach and created strong brand awareness.

At the ground level, we remained committed to people's safety and organised several eye check-up camps for individual LCV/SCV owners and drivers under our JK Jyoti Kiran program which was extended across India.

PASSENGER

JK Tyre outpaced the industry demand growth in the segment. The SUV segment was the highest contributor to this growth where our 'Ranger' brand registered a handsome growth. The Hatchback segment being the largest contributor to the overall sales, was



catered to through 'Ultima Hi^life' brand, designed for ultimate comfort for the customer. UX Touring, which is a perfect tyre for long road trips and journeys, was also launched during the year. Ranger M/T, the specialised Mud-terrain product, is being appreciated for its sturdy performance, finding itself featured in many professional off-roading events. The visual appeal of these tyres was enhanced with Raised White Letter technology further improving the imagery and preference among discerning users.

In continuation of our journey of innovation, JK Tyre introduced 'Puncture Guard' tyres in its endeavour to create safer and stress-free journeys for the customers.

TWO/THREE WHEELER

Our focus on brand premiumisation was further strengthened with transition of the entire product range to the 'Blaze' brand. A new partnership with TVS was established for their high-speed segment in motorcycles as well as scooters. 'Blaze RYDR,' our flagship brand, is now the preferred OEM choice in premium models.

This year's #xBhpJKSmartRides campaign with xBHP focused extensively on promoting the "Blaze" brand. Being a customer-obsessed Company, our 21-day campaign "#CovidSmartRider" reached out to more than 1 million users. The campaign was instrumental in raising awareness towards riding two-wheelers during the pandemic era.

Electrification of automobile vehicles in India is gathering momentum and creating new growth opportunities. JK Tyre is catering to this segment through a new range of speciality products "Blaze Electric" which offer low rolling resistance and high load capability. An interactive catalogue, that guides the user based on vehicle make, model, fitment on a click, was also launched this year in an endeavour to enhance customer knowledge and help them make informed choices.

FARM

The Tractor industry witnessed a slowdown this financial year compared to the robust agricultural demand in the previous year. Our primary focus was on promoting the sale of premium SKUs 'Shresth' and 'Sona-1' range of tyres. This was driven by new product introductions to cater to specialised farming applications and targeting key contributing geographies like Madhya Pradesh, Gujarat, Rajasthan, Punjab, Uttar Pradesh and Haryana.

New 'Farm Xpress Wheels' were added to the extensive pan India network thus, improving product visibility and accessibility.

JK Tyre's continuing collaboration with OEM players like Case New Holland, John Deere, Mahindra, Sonalika Tractors (International Tractors Ltd) and TAFE have been a support to the category given the overall slowdown in this sector.

The collaborative journey with ITC Limited's Agri Business Division, and initiatives like farmer meets and Grahak Diwas helped JK Tyre expand its rural reach through continuous engagement with farmers. Digitalisation gained prominence in the agri-sector, which was well supported by JK Tyre's strong footprint in the digital space.

Collaborations with leading tractor aggregator platforms to promote the premium range of products strengthened the brand reach.

OFF THE ROAD

Our domestic Off-the-Road tyre business registered a healthy growth in the current year, with enhanced focus on retail business development. This strengthened OEM relationships and new product introductions, as we added over 100 retail partners across the length and breadth of country. For the US market, we specifically developed a new range of OHT category tyres, with over 120 SKUs. Our multi-pronged campaigns across India accelerated retail expansion and demand generation. During the year, strong partnerships were also established with leading OEMs including JCB, Amman and Liugong. We also became the first domestic brand to supply girder transporter and "straddle carrier" tyres, making it a landmark achievement for JK Tyre.

With the government's focus on infrastructure development and domestic manufacturing, the Off-the-Road tyre business is expected to grow further in the medium term.

RETREAD BUSINESS

Having completed over 12 years in the production of quality pre-cured tread rubber and allied materials, JK Treads is a front runner in the Retreading segment, providing end-to-end solutions to customers and helping in reducing their cost. It addresses the rising concerns about the environment and input costs for transporters, since retreaded tyres reduce solid waste disposal problems and saves on petrochemicals and other raw materials used to manufacture new tyres.

In line with the JK Tyre's customer-centric approach and commitment to deliver a differentiated value proposition, we continued to facilitate the development of our channel partners by supporting them in establishing state-of-the-art JK - Retread Centres. At these centres, JK Tyre recommended repair and retread procedures are strictly followed and with use of original tread patterns, these tyres look as good as new. The JK Retread Centres chain is growing rapidly across the country.

Keeping up with the market requirements, JK Tyre extended the premium XM-Range precured tread rubber belts with radial patterns to many more sizes. Apart from the premium XM-Range, JK Retreads caters to its varied customer needs in Truck, Mining, LCV, SCV and Farm segments. This has led to robust business growth.

SERVICE – A BRAND DIFFERENTIATOR

We upgraded our customer service level to higher standards through the digital transformation of our tyre complaint management process and by leveraging AI technology for delivery of enhanced customer experience. Unlike the conventional tyre complaint resolution process, where a customer visits tyre dealers at least twice for replacement of tyres under warranty, the digital "avatar" of our warranty process enables 'First Time Visit' resolution by providing on-the-spot settlement of a claim.

This initiative enabled us to reduce the cycle time of tyre settlement for customers from 5~6 days to 15 minutes a ~500x improvement in closure time. Additionally, the service delivery capability improved by more than 60 times when compared to the conventional processes. With digital transformation, almost all our channel partners turned into service delivery points and the service delivery capability grew multi-fold thus reducing the dependency on the physical presence of field service engineers.

Empowering our vision of being a customer-centric brand, JK Assure, a customer-oriented policy, was introduced to much acclaim and positive response from the market. The "Hello JK Tyre" helpline facilitated customers and provides ongoing support. The many customer-centric initiatives over the year led to the brand being conferred the "Active Customer Engagement" award by the CII.

BUSINESS AND SALES CAPABILITY BUILDING

There was a strong emphasis on building sales capability for Team JK Tyre as well as our channel partners. In pursuit of customer centricity and business excellence, dedicated programs were conducted to orient the team and channel partners on various products including Smart Tyres in order to deliver a superior experience to the end user. Further, our learning portal ensured a continuous learning engagement process.

CHANNEL SUPPORT

JK Tyre expanded the on-ground network by adding over 600 channel partners during the financial year. The efforts to enhance network coverage was duly supported by efficient use of Geo-spatial tools. The JK Connect portal and app was further updated to improve the ease of doing business for channel partners. In order to recognise business commitment, the Dealer Clubs policy was enlarged to encourage growth and improve retention. In addition, our brand shop network grew exponentially to over 650 shops and contributed significantly to our Passenger tyre sales while providing a superior buying experience to the end user.

The 'WhatsApp' helpline continued to be a facilitation platform for channel partners, who received prompt and timebound resolutions to their queries.

FLEET AND MOBILITY MANAGEMENT

The total number of fleets covered under this unique program grew substantially during the year with robust business growth. The mobility solutions program, yet another path-breaking customer centric solution from JK Tyre, expanded its footprint and was well received by prestigious fleets of the country. Under this program, the fleets benefitted immensely from the pay-per-use /CPKM model. It is a matter of pride for JK Tyre that the recently launched fleet of electric buses in several cities covered under the connected mobility program, is powered by JK Smart Tyres.

BRAND AND DIGITAL MARKETING AWARDS

1. Continuing our legacy of achievements, JK Tyre continued to be the only Tyre Super brand in the country. We also received the prestigious "The Economic Times Iconic Brand Award 2021"

for the third time consecutively, along with "Brand of the Decade 2021" by Brand Advertising Research and Consulting Asia and Herald Global.

2. Gold awards at DIGIXX2021 Awards for:
 - Digital Marketing Excellence in Automotive Category for 'Zindagi ke Pahiye'
 - Leader in Digital Transformation for setting up JK Tyre's presence across E-commerce platforms
 - Digital Marketing Excellence in Digital PR
 - Digital Marketing Excellence Sports for JK Tyre Motorsport
3. 'Digital Campaign of the Year' by World Digital Marketing Congress at Global Digital Marketing Awards for 'Zindagi Ke Pahiye' campaign.
4. Best Digital Marketing Campaign: JK Tyre - 'Zindagi Ke Pahiye' at Golden Feather Awards.
5. 7th edition of National Awards for Excellence in Branding and Marketing:
 - Marketing Excellence in E-commerce and Internet Sector
 - Best Search Marketing Campaign
 - Marketing Excellence for Best use of Social Media Marketing
6. ACEF Content Marketing and Content Creators Awards 2021 for Zindagi Ke Pahiye -
 - Best Social Media Content
 - Best Video Content
7. Viral Marketing Campaign of the Year for Smart Tyre Campaign at Business Leadership Awards 2021.
8. Bronze Award for Excellence in Marketing Innovation for Zindagi Ke Pahiye – Innovative Mobile Digital Campaign at 10th Edition of ACEF Asian leader Forum and Awards.
9. Excellence in Branding and Marketing at The Stars of the Industry Awards for Smart Tyre Campaign -
 - Best Campaign Video
 - Brand Excellence in Automobile
 - Best Digital Marketing Campaign
 - Best Brand with Digital Presence at The Stars of the Industry Awards
10. Silver Award - Best Integration of Digital Content with TV for Smart Tyre - Tyre with a Brain, at E4M prime time awards for excellence in TV Advertising.
11. Global Digital Marketing Awards for JK Puncture Guard Tyre -
 - Best Use of Video for JK Puncture Guard Tyre
 - Best Product/ Brand website for JK Puncture Guard Tyre



MOTORSPORT

After a disruptive start, the second half of the year 2021 showed signs of revival, as did sporting events around the world. JK Tyre successfully and safely hosted the 24th JK Tyre National Racing Championship 2021 making it the longest running national racing championship in the country. We also hosted the maiden season of the JK Tyre presents Royal Enfield Continental GT Cup - India's first retro-racing format in partnership with Royal Enfield. The program rides on JK Tyre's endeavour to find, nurture and promote young talent and support them in their journey to representing the nation in the world of professional racing.

Run under the aegis of Federation of Motorsport Clubs of India (FMSCI), and backed by JK Tyre, the Indian National Regularity Run Championship was also launched during the year. It is a first-of-its-kind motorsport event providing a platform for driving enthusiasts to start their journey into professional rallying. Based on the format of time, speed and distance (TSD), the nationwide championship was spread across 17 cities, making it the one with the biggest geographical spread.

All the events were conducted with stringent safety measures while observing mandated COVID-19 protocols, and with minimum physical spectatorship.

Moreover, digital platforms were leveraged to amplify the reach of the events with the viewership and digital engagement reaching over 21 million people garnering over 1.9 million views achieved on the racing videos and the event webcast on social media channels.

INTERNATIONAL SALES

The Company's robust export performance continued its upward trajectory by recording 59% growth. The growth drivers were aggressive sales efforts, introduction of technologically advanced, and market specific products across all regions. The strong product/regional mix ensured profitable growth which was achieved despite the logistical challenges resulting from the strain on global supply chain, and intensified geopolitical and economic uncertainty in Africa, Latin America and the Middle East. The strong demand for the JK Tyre brand in Truck and Passenger radials across markets, even in technologically demanding markets like Europe and North America, augurs well for continuing export growth in the years to come.

MANUFACTURING EXCELLENCE AT JK TYRE

New innovations and wheel of continuous improvement are key pillars of excellence in JK Tyre's manufacturing process. The efforts across all manufacturing locations have been recognised at different fora by several institutions which reflect relentless efforts towards continuous improvements to set new benchmarks in the sector. Some of the recognitions and awards include:

- International Environment best practices award by FAME India
- Manufacturing Today - Sustainability Award 2021 in "Excellence in Sustainability" - Large Category
- National Energy Leader Award 2021 from CII

- 3 Manufacturing locations are awarded with prestigious BSC- "Globe of Honour Award"
- JK Tyre is recognised under top 30 "India's Most Sustainable Company 2021-22" by Business World

SUSTAINABLE GROWTH

The Company is committed to and has embraced sustainable growth across its operations and works towards employing green and clean practices. Our priority is to ensure that natural resources are conserved and used with highest efficiency to ensure building a safe and clean environment and reducing dependency on water and fossil fuels. We are focused on the Reduce, Recycle and Reuse strategy to become the first green and clean tyre company of India. We, at JK Tyre, are proud to share that our specific water consumption is the global benchmark in the industry even as we move ahead in this journey to attain greater heights. The Company has also shown a significant reduction in energy consumption and our initiatives in this direction which have led us to achieve a new milestone which makes JK Tyre among the top three best companies in the sector worldwide. This has resulted in a decrease in our carbon footprint year on year. We will continue on our sustainable journey with a well-defined plan to create a green impact.

FINANCIAL PERFORMANCE

Particulars	Year Ended			
	31.03.2022		31.03.2021	
	Standalone	Consolidated	Standalone	Consolidated
Turnover	8,062.26	6,170.12	12,019.52	9,145.27
Operating Profit (PBITD)	730.70	886.61	1,109.86	1,349.41
Finance Cost	229.61	266.27	419.09	465.85
Profit Before Exceptional Items & Tax	260.35	374.35	305.41	496.87
Exceptional Items	3.95	21.21	3.60	37.48
Profit / (Loss) Before Tax (PBT)	264.30	395.56	309.01	534.35
Tax Expenses / (Credit)	81.26	139.11	108.71	200.91
Profit After Tax (PAT)	183.04	256.45	200.30	333.44

₹ crore

It is indeed a matter of great pride that JK Tyre has achieved ever highest Consolidated Turnover of ₹12,020 crores recording an impressive growth of 31%. The subsidiary companies, Cavendish Industries Ltd. and JK Tornel, Mexico, have also achieved record high sales and contributed significantly to the growth of the Company.

The year witnessed a huge surge in raw material prices - as much as 28%, which could only be partially offset by several increases in selling prices. The unabsorbed gap impacted margins for the industry as a whole.

In order to overcome the challenging situations, the Company made all out efforts to improve operating efficiencies, control overhead expenses and improve the working capital cycle, apart from reducing interest costs. This could partly mitigate the overall increase in costs.

JK TORNEL

JK Tornel, Mexico performed well recording the highest ever turnover of ₹2,120 crores, thus achieving an impressive growth of 87% over the last year. Several initiatives towards the improvement of market share in LATAM markets, focused approach to increasing sales volumes in USA and Brazil contributed to this growth. The Company was chosen by Walmart as the 'No.1 Supplier' in the home essentials category out of 300 suppliers. The Company continued to maintain highest replacement market share in PCR in the Mexican market. As a result, the Company achieved a PBT of ₹131 crores during the financial year.

CAVENDISH INDUSTRIES LTD.

During the year under review, the Company achieved highest ever turnover of ₹2,988 crores since it was acquired in 2016-17 recording a growth of 16% over last year. There was all round growth across product categories viz, Truck Bias, Truck Radial and 2/3-Wheeler. During the year, Company marketed its new range of Tubeless Truck Radial Tyres in several global markets as also entered new OEMs viz., Electrotherm India, Coslight India and others with EV 2/3 wheeler tyres. It continued to operate at high efficiency levels in terms of energy consumption, workforce and productivity. However, the extraordinary increase in input costs of nearly 28% without commensurate increase in selling prices impacted margins. The Company received several accolades during the year including 'Sword of Honour' awarded by British Safety Council. In addition, the Company was awarded 'Silver Category' for Best Supplier by Tata Motors.

R&D AND TECHNOLOGY

As a responsible global tyre manufacturer, and a green tyre company, we are committed to building a sustainable society by balancing our operations through 6"R" strategy viz. **Reduce, Reuse, Recycle, Renew, Redesign and Remanufacture.**

6"R" Strategy is the most effective way to address environmental depletion and pollution. Reducing CO2 emissions through the selection of low impact material, optimisation of production techniques, reduction of the environmental impact in the user stage, reusing end of life tyre to produce and use value-added products, recycling waste materials and products into new useful materials and products, recovering potential resources are the key focus areas of our approach in research and development.

Globally, there is a paradigm shift in technological trends due to ever-increasing customer needs and expectations, change of vehicle technology (electric vehicle, autonomous vehicle, etc.) and legislation and regulatory mandates. This implies enhancement in tyre performance, which is a challenge to tyre developers calling for innovative ways for its mitigation. JK Tyre, being a technology driven Company, has adopted Information Technology (IT) as a tool to meet these challenges. We have developed various virtual predictive tools such as digital twin which is contributing as a major building block of our new product development process (NPD) using different commercial software including in-house developed codes. Our virtual journey is not only limited to component level performance prediction but also on system-level simulation (rod-tyre-vehicle-

driver) like the development of Virtual Proving Ground in association with IIT Madras. This is of immense benefit in terms of optimisation of design cycle time, root cause analysis, reduction in prototype building, confidence build up through deeper insights, etc. By utilising these tools, we have also been able to reduce resource consumption and the environmental impact while balancing economic growth which is aligned to our sustainability mission.

Successful simulation of the actual operating environment, such as road like driving conditions, enables us to address more complex issues and ascertain predictability of product performance.

The other area related to capability development is in the niche analytical technique for quantitative analysis of various substances present in tyre which are listed under REACH regulation. This helps to obtain approval of new sizes and also export to European markets.

Our R&D wing is collaborating with major raw material suppliers, machine and equipment manufacturers, universities and institutes to identify suitable materials, equipment and machineries, simulation tools and techniques to meet the emerging needs and expectations of our valued customers. This helps us to develop new technologies in the area of smart tyre, self-sealing technology for carefree tyre, nano technology and fuel efficient (low rolling resistance), safer (dry and wet traction) and durable tyres.

The Company continued its endeavour to create excellent mobility solutions for India and for the world. Over a hundred products across categories were launched for domestic and export markets.

Application-based SKUs were enhanced to drive better performance, fuel efficiency and product longevity. JK Tyre made forays into new application segments and witnessed heartening successes with its best-in-class product range. Additional SKUs were developed for all-terrain, mud-terrain, load carrying, sand, and mining applications. The first mixed application super single tyre was under JETSTEEL JDL3 was developed this year. Pattern expansion for motorsport tyres witnessed two new variants for gravel and tarmac tracks.

OE approvals also witnessed robust growth, with significant relationships in TBR, OHT, TBB categories established over the year. A notable achievement was the first ever OE approval for JK Tyre in Scooter segment. Efforts in Brand premiumisation also enabled JK Tyre to collaborate with many premium vehicle models.

In addition, Value engineering and product improvement projects were implemented.

RAW MATERIAL

The year started off with lower market demand, in light of the residual effects of the pandemic. The market recovery that followed later resulted in a sudden upturn for the global demand. As the companies were still coping with the impact, the demand shock put pressure on supply chain leading to an imbalance. The problem was further compounded with shortage of vessel and increased freight.

The Company initiated suitable measures to ensure availability of raw materials, such as expanding the supplier-base, advance planning and re-organizing the logistics, which ensured continuity in production at optimum costs. Different countries adopted different



approaches to maintain a healthy balance between economic activity and wellness of their people, some of which impacted availability of various materials aggravated by poor vessel availability. The higher demand and limited availability led to sharp cost increases as high as 28%.

Based on advance planning, close coordination, and strategic tie-ups with key business partners, JK Tyre was able to ensure adequate material supplies.

SUPPLY CHAIN MANAGEMENT

During the year, many initiatives were taken to enhance efficiencies in outbound supply chain operations. The thrust was on digitisation with commencement of work on the transport as well as warehouse management systems. Multimodal usage in logistics operations have helped in effecting cost reduction and optimal resource utilisation.

HUMAN RESOURCE – MANAGEMENT & DEVELOPMENT

For JK Tyre, people are central to driving the Company's competitiveness as they are integral to our sustainable business growth. JK Tyre has consistently focused on recruiting and onboarding the best talent from industry with the objective to generate superior performance.

In line with our core value, "Care for People," the Company continued to nurture a supportive and a safe working environment.

Resilience was the theme driving the initiatives this financial year. Through "Mission 100% Vaccination", dedicated task teams were set up to provide round-the-clock medical emergency support and guidance through collaborations with senior health specialists from Pushpawati Singhanian Hospital & Research Institute (PSRI) for the entire JK Tyre family including the employees, business partners and their families.

Digitalisation drove many of the employee engagement initiatives including virtual town halls, open house communications, monthly and weekly digital magazines.

Focus on developing and executing the best-in-class practices for all areas continued this year. A culture of "High Trust and High Performance" was proactively encouraged in the organisation, resulting in many accolades and industry wide appreciation.

HR AWARDS

1. JK Tyre has been "Certified as Great Place to Work" for the 3rd consecutive year and also recognised with the badge of "Commitment to Bring a Great Place to Work".
2. JK Tyre is recognised as one of India's 30 Best Workplaces in Manufacturing -2022 -Certified by Great Place to Work.
3. VTP won prestigious Chairman People Management award 2021.
4. VTP won the Prestigious "GOLD" Award for the Grow Care India Training Excellence Award and Employee Retention Strategies Award 2021.

5. VTP won "GOLD" award in "10th Exceed HR Award 2021" under "Training Excellence" Category in Automobile Sector by EKDKN - Sustainable Development Foundation.
6. KTP won Certificate of Appreciation in '4th HR Excellence Award 2021 by PNGI.

CORPORATE SOCIAL RESPONSIBILITY

CSR at JK Tyre continued to address the requirement of the communities through active participation of local communities. Livelihood, health, environment and education were the focus areas of the initiatives undertaken in the financial year. We strive to provide long-term sustainable solutions to marginal and disadvantaged communities, especially in rural and semi-urban areas. On an average, the CSR interventions we undertook this year impacted the lives of over 90,000 people.

Extending our support to communities during the pandemic, we organised awareness campaigns, set up oxygen generating plants and provided oxygen concentrators along with preventive medicines and accessories to the needy. The Project Jyoti Kiran benefitted thousands of truck and fleet drivers participating in the health check-up camps. Water conservation projects at various locations witnessed increase in water levels in common water bodies by up to 4 feet, benefitting multiple communities at one go. We continued to work and collaborate with NGOs, other corporate institutions, governments, and other stakeholders to drive sustained impact. Under various CSR programs over 1 million people have benefitted over the years.

ROAD SAFETY

JK Tyre continues to be a torchbearer in terms of promoting road safety awareness for the past three decades and is recognised as a stakeholder by authorities. During the year, various interventions were made, including education on tyre safety for drivers and training for police personnel.

RISKS AND CONCERNS

To make risk management process more robust a well-defined process and regular adherence to risk assessment schedule helps in managing risks timely. Businesses go through various uncertainties which can have significant impact due to change in the environment, outlook and events directly related to the industry as well. In order to provide sufficient focus on each of these factors, various risk domains have been identified, such as viz financial, operational, sectoral, ESG, IT and cyber security, to help understand the nature and impact of the risk more objectively.

A strong risk management framework has been put in place by the Company to identify, classify, assess, and quantify all possible risks in order to timely and effectively manage them. The detailed mitigation plan being made by the Company helps in safeguarding the business performance and minimise the impact.

JK Tyre has invested suitable resources and established an organised structure for risk management, which includes formation of a risk management committee involving senior management team

members to periodically monitor the possible risks. The outcome of these risk management committee with detailed mitigation plan is also presented to the Board-level Risk Management Committee.

KEY BUSINESS RISKS

UNCERTAIN GLOBAL ECONOMIC SCENARIO

The pandemic impacted global economy last year, and based on the end-year performance, the outlook for this financial year remained positive. However, due to high inflation and rising commodity prices, the global economic forecasts are changing. The economic growth is projected to be hopeful but are subdued as compared to earlier forecasts. A sense of conservatism is coming across economies. Geopolitical situations have also impacted interruptions in the already staggering supply chain, leading to increase in uncertainties.

The situation has impacted sourcing of raw material in a cost-effective manner; however, continued restriction on the import of tyres in the Indian market is helping demand growth.

SUPPLY CHAIN RISK

Supply chain has been impacted the most, across the world due to multiple factors starting from lockdowns across the countries, geopolitical situations, trade wars and also realignment of sourcing strategies in the new normal business environment. Chip shortage has impacted multiple sectors with a major impact on the automobile sector. OEM sales were affected significantly on that account. Shortages of containers and shipping vessels also has put stress on seamless movement of raw materials and finished goods creating scarcity and rising costs.

This is one of the critical risks in FY 2022-23 for JK Tyre as well for both sourcing of raw material and ensuring uninterrupted exports. JK Tyre has already taken sufficient steps to ensure such impact is minimised in our operations. We have widened and increased our approved sources and established newer mechanisms to ensure a smooth and fast transition to alternate sources. We have also managed logistics in high-risk high-volume areas. Such alternate logistics solutions have given us an advantage to contain this risk. To ensure uninterrupted exports, long term contracts with shipping lines/ freight forwarders have been executed. Multiple ports are being explored to avoid supply delays to our customers.

TECHNOLOGY RISK

The tyre industry has always been evolving to provide enhanced value to customers and suit the requirement of newer age vehicles. Stringent OEM requirements and regulatory changes have been bringing in changes in tyre technology. Today, electric vehicle adoption is rapidly growing across the world and in India as well. JK Tyre has been working towards catering to the ever-evolving specifications of EV vehicles and has already been supplying such

tyres. The Company is geared to meet any changing technological requirements for EV along with other evolving needs.

SUPPLY AND CAPACITY RISK

The global as well as Indian economy is witnessing encouraging demand growth. Healthy demand in domestic and exports markets has resulted in sound capacity utilisation with a projected need to build capacities for the future. The Company regularly assesses its capacity to device future-fit strategies.

INTERNAL CONTROL SYSTEMS

The Company has, since its inception, laid down a system of internal control, which is commensurate with the size and nature of the business. Adequate and effective checks have been put in place to ensure that the financial data is accurate and reliable. The internal control systems also ensure that the assets and the interest of the Company are well protected.

The internal audit was carried out throughout the year based on a systematic plan covering various functions and aspects of the business. The internal audit reports were reviewed by the senior management and were placed before the Audit Committee of the Board of Directors along with the actions taken. The Audit Committee undertook a detailed review of the observations and actions in order to ensure that the internal audit system was functioning effectively. The recommended actions by the audit team were monitored and improvements were implemented with regular reviews by the senior management.

The IT framework of the Company is based on a robust ERP system, ensuring seamless connectivity of plants, sales offices, and the corporate office. It facilitates faster and more reliable processing of transactions while also generating reports for rapid decision-making. The Company has strong control and management reporting systems, which helped to ensure the business results are achieved and continuous improvement projects are undertaken.

CAUTIONARY STATEMENT

The Management Discussion and Analysis report contains forward-looking statements, which may be identified by the use of words in that direction or connoting the same. All statements that address expectations or projections about the future including but not limited to statements about the Company's strategy for growth, product development, market position, expenditure and financial results are forward looking statements.

The Company's actual results, performance or achievements could thus, differ materially from those projected in such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.



Annexure E to the Board's Report

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is an integral part of values, ethics and the best business practices followed by the Company. The core values of the Company are:

- Commitment to excellence and customer satisfaction
- Maximising long term shareholders' value
- Socially valued enterprise and
- Caring for people and environment.

In a nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long-term shareholders' value and commitment to high standard of

business ethics. The Company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly laying down the core values and corporate ethics to be practiced by its entire management cadre.

2. BOARD OF DIRECTORS:

The Board of Directors consists of Twelve Directors as on 31st March 2022, of which three are Executive Directors and nine are Non-Executive Directors (NED); out of nine NED, seven are Independent Directors (IND). Four Board Meetings were held during the twelve months period from 1st April 2021 to 31st March 2022 i.e., on 19th May 2021, 6th August 2021, 28th October 2021 and 3rd February 2022. Attendance and other details as on 31st March 2022 are as given below:

Sl No*	Name of the Director	Category	Number of Board Meetings Attended	Whether last AGM attended	No. of other Directorships and Committee Memberships/Chairmanships held in other companies		
					Directorships \$	Committee Memberships **	Committee Chairmanships **
1	Dr. Raghupati Singhania, Chairman & Managing Director	Executive	4	Yes	7	4	2
2	Shri Arvind Singh Mewar Δ	IND	3	Yes	-	-	-
3	Shri Bakul Jain Δ	IND	4	Yes	4	4	2
4	Shri Shreekant Somany Δ	IND	4	Yes	4	2	1
5	Smt. Sunanda Singhania	NED	4	Yes	-	-	-
6	Smt. Meera Shankar Δ	IND	4	Yes	3	1	-
7	Shri Vimal Bhandari Δ	IND	4	Yes	6	4	1
8	Shri Kalpataru Tripathy Δ	IND	4	Yes	5	5	2
9	Dr. Wolfgang HolzbachΔ	IND	4	Yes	-	-	-
10	Shri Bharat Hari Singhania @	NED	4	Yes	4	1	-
11	Shri Anshuman Singhania Managing Director	Executive	4	Yes	-	-	-
12	Shri Arun K. Bajoria, Director & President – International Operations	Executive	4	Yes	1	-	-

Δ The appointment of Independent Directors is in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

@ The five years term of appointment as a Managing Director (MD) determined on 30th September 2021. He did not seek re-appointment as MD and is continuing as a NED w.e.f. 1st October 2021.

* DIN of the above named Directors in seriatim: 1 - 00036129; 2 - 00008244; 3 - 00380256; 4 - 00021423; 5 - 02356376; 6 - 06374957; 7 - 00001318; 8 - 00865794; 9 - 06422833; 10 - 00041156; 11 - 02356566 and 12 - 00026540.

\$ Excluding private companies and companies under Section 8 of the Companies Act, 2013. Independent Directorships held by the Directors are in accordance with the Listing Regulations.

** Only covers Memberships/Chairmanships of Audit Committee and Stakeholders Relationship Committee.

Details of Directorships in other listed companies and the category of Directorship:

Name of Director and name of the listed company (category of Directorship)
Dr. Raghupati Singhania: JK Lakshmi Cement Ltd. (NED), Bengal & Assam Company Ltd. (NED), JK Agri Genetics Ltd. (NED) and Radico Khaitan Ltd. (Ind.)
Shri Bakul Jain: DCW Ltd. (Executive, Managing Director) and Bengal & Assam Company Ltd. (Ind.)
Shri Shreekant Somany: Somany Ceramics Ltd. (Executive, Chairman & Managing Director) and Shree Cement Ltd. (Ind.)
Smt. Meera Shankar: ITC Ltd. (Ind.), Pidilite Industries Ltd. (Ind.) and Adani Transmission Ltd. (Ind.)
Shri Vimal Bhandari: DCM Shriram Ltd. (Ind), Bharat Forge Ltd. (Ind.), RBL Bank Ltd. (NED) and Kalpataru Power Transmission Ltd. (Ind.).
Shri Kalpataru Tripathy: Avadh Sugar & Energy Ltd. (Ind.)
Shri Bharat Hari Singhania: JK Lakshmi Cement Ltd. (NED), Bengal & Assam Company Ltd. (NED), JK Agri Genetics Ltd. (NED) and JK Paper Ltd. (NED). He is Chairman of all these listed companies.

Note: Other Directors do not hold Directorship in any other listed company.

Based on the declarations received from the Independent Directors, the Board confirms that in its opinion, all the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

The Board has identified the following as core skills/expertise/competencies (core skills) required in the context of the Company's business and sector for it to function effectively:

(i) Leadership/ Business Philosophy/ Entrepreneurship/ Global Business Strategy/Management; (ii) Financial and Accounting Knowledge; (iii) Strategic Planning; (iv) Legal & Corporate Governance Expertise; (v) Technology/ Knowledge pertaining to Tyre Industry; (vi) Commercial & Marketing Experience; (vii) Community Service, Sustainability and Corporate Social Responsibility; (viii) Quality and Safety; (ix) Risk Management and (x) Human Resource.

All the Board members possess the above-mentioned skills collectively that enable them to make effective contribution to the Board and its Committees. The core skills of individual Directors:

(a) the Executive Directors of the Company, namely- Dr. Raghupati Singhania and Shri Anshuman Singhania - are industrialists and entrepreneurs; Shri Arun K. Bajoria - professional having operational and tyre industry experience; (b) the Non-executive Directors of the Company, namely - Shri Bharat Hari Singhania - industrialist and entrepreneur; Shri Arvind Singh Mewar - entrepreneur, business philosophy & community service; Shri Bakul Jain - industrialist, business philosophy & commercial; Shri Shreekant Somany - industrialist, business philosophy, commercial & marketing; Smt. Sunanda Singhania - community service, sustainability & corporate social responsibility; Smt. Meera Shankar - former ambassador, global business strategy & community service; Shri Vimal Bhandari - financial expertise; Shri Kalpataru Tripathy - legal & regulatory and Dr. Wolfgang Holzbach - technology, quality, manufacturing & safety.

The Board periodically reviews Compliance Reports of all laws applicable to the Company and steps taken by the Company to rectify instances of non-compliances, if any. The Board is satisfied that plans are in place for orderly succession for appointments to the Board and to senior management.

The Company has a Code of Conduct for Management Cadre Staff (including Executive Directors). In terms of the provisions of Regulation 17(5) of the Listing Regulations and contemporary practices of good Corporate Governance, the Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company and the same is available on the website of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the said Code. This Report contains a declaration to this effect signed by Dr. Raghupati Singhania, Chairman & Managing Director.

Relationships between Directors inter-se: Dr. Raghupati Singhania and Shri Bharat Hari Singhania are brothers. Smt. Sunanda Singhania is wife of Dr. Raghupati Singhania.

The number of Equity Shares of ₹2/- each (i.e. Shares) held by the Non-executive Directors as on 31st March 2022 are: Shri Bharat Hari Singhania - 10,94,723 Shares; Shri Arvind Singh Mewar - Nil, Shri Bakul Jain - 4,000 Shares, Shri Shreekant Somany - 13,750 Shares, Smt. Sunanda Singhania - 6,27,500 Shares, Smt. Meera Shankar - Nil, Shri Kalpataru Tripathy - Nil, Shri Vimal Bhandari - Nil and Dr. Wolfgang Holzbach - Nil. The Company does not have any outstanding convertible instruments.

3. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:

In accordance with the provisions of Schedule IV to the Companies Act, 2013 and Regulation 25 of the Listing Regulations, one separate meeting of the Independent Directors of the Company was held on 3rd February 2022 and out of total seven Independent Directors, six Independent Directors of the Company were present at the meeting.



4. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

In accordance with the provisions of Regulation 25(7) of the Listing Regulations, the Company has been conducting various familiarisation programmes. The details of such familiarisation programmes for Independent Directors have been disclosed on the website of the Company, the web link for which is http://www.jktyre.com/Familiarisation_Prog_IND.pdf

5. PERFORMANCE EVALUATION:

As required, the Nomination and Remuneration Committee of Directors specified the manner for effective evaluation of performance of the Board, its Committees and individual Directors in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations.

Accordingly, the Board of Directors made formal annual evaluation of its own performance and that of its committees and Individual Directors in accordance with the manner specified by the Nomination and Remuneration Committee of Directors.

Performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria such as adequacy of its composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as composition of committees, terms of reference of committees, effectiveness of the committee meetings, participation of the members of the committee in the meetings, etc.

The Board also carried out evaluation of the performance of individual Directors on the basis of criteria such as attendance and effective participation and contributions at the meetings of the Board and its committees, exercise of his/her duties with due & reasonable care, skill and diligence, etc.

In a separate meeting of the Independent Directors of the Company, performance of the non-independent Directors, performance of the Board as a whole and performance of the Chairman & Managing Director were evaluated, taking into account the views of Executive Directors of the Company. The Chairman of the Meeting of the Independent Directors apprised the Board about the evaluation carried by it and that the Independent Directors were fully satisfied in this regard.

6. AUDIT COMMITTEE:

The Company has an Audit Committee of Directors since 1986. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The Committee consists of four Directors, out of which three are Non-executive Independent Directors and one is Executive Director.

Four meetings of the Audit Committee were held during the financial year ended 31st March 2022.

Dates of the meetings and the number of Members attended are:

Date of the Meeting	Number of Members attended
19 th May 2021	4
6 th August 2021	4
28 th October 2021	4
3 rd February 2022	3

The names of the Members of the Committee and their attendance at the Meetings are as follows:

Name	Status	No. of Meetings attended
Shri Bakul Jain	Chairman	4
Shri A.S. Mewar	Member	3
Shri Shreekant Somany	Member	4
Shri Arun K. Bajoria	Member	4

All the Committee Meetings were attended by the Head of Finance Function, Head of Internal Audit, Company Secretary and the representative of the Statutory Auditor. The Company Secretary acts as the Secretary of the Committee.

7. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Company has a Stakeholders' Relationship Committee at the Board Level which consists of three Directors out of which two are Non-executive Independent Directors and one is Executive Director. The composition and the Role/ 'Terms of Reference' of the Committee are in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Dates of the meetings and the number of Members attended are:

Date of the Meeting	Number of Members attended
6 th August 2021	3
28 th October 2021	3

The names of the Members of the Committee and their attendance at the Meetings are as follows:

Name	Status	No. of Meetings attended
Shri Bakul Jain	Chairman	2
Shri Shreekant Somany	Member	2
Shri Arun K. Bajoria	Member	2

Shri PK Rustagi, Vice President (Legal) & Company Secretary is the Compliance Officer. During the financial year ended 31st March 2022, the Company has received four complaints from the shareholders and the same have since been resolved

to the satisfaction of shareholders. Also, there are no complaints pending in respect of the previous period.

The Board of Directors has delegated the power of transfer of shares and related matters to a 'Share Transfer Committee'. W.e.f. 1st April 2019, SEBI has mandated that securities of listed companies can be transferred only in dematerialised form. Accordingly, the Company/its RTA has stopped accepting any fresh lodgment of transfer of shares in physical form.

During the financial year ended 31st March 2022, all the investor service requests have been processed within statutory time limits, in compliance with the SEBI mandate, as applicable. During the said period, nine meetings of the 'Share Transfer Committee' were held.

8. NOMINATION AND REMUNERATION COMMITTEE:

The Company has a 'Nomination and Remuneration Committee' comprising three Directors, all being Non-executive Independent Directors. The composition and the role of the Committee are in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

Dates of the meetings and the number of Members attended are:

Date of the Meeting	Number of Members attended
19 th May 2021	3
6 th August 2021	3
28 th October 2021	3

The names of the Members of the Committee and their attendance at the Meetings are as follows:

Name	Status	No. of Meetings attended
Shri Arvind Singh Mewar	Chairman	3
Shri Vimal Bhandari	Member	3
Shri Kalpataru Tripathy	Member	3

9. RISK MANAGEMENT COMMITTEE:

The Company has been having an elaborate risk management system to inform Board Members about risk assessment and minimisation procedures. The Company has a 'Risk Management Committee' comprising four Directors - namely, Shri Shreekant Somany (Chairman of the Committee), Shri Kalpataru Tripathy, Shri Anshuman Singhania and Shri Arun K. Bajoria and one senior executive of the Company - namely, Shri Sanjeev Aggarwal, Chief Financial Officer (CFO). The composition of the Committee is in conformity with the provisions of Regulation 21 of the Listing Regulations. Further, the Board of Directors has also defined the role and responsibilities of the Committee including, *inter alia*,

performance of functions specified in Regulation 21 of the Listing Regulations and specifically covering steps to identify and mitigate Information Technology and Cyber Security Risks that the Company is or may be exposed to, on a regular basis. The Committee has, *inter alia*, formulated a detailed Risk Management Policy as prescribed under the Listing Regulations. The Company Secretary acts as the Secretary of the Committee.

During the financial year ended 31st March 2022, two meetings of the Committee were held on 28th October 2021 and 3rd February 2022 which were attended by all the members of the Committee.

10. NOMINATION AND REMUNERATION POLICY:

In accordance with the provisions of the Companies Act 2013 and Listing Regulations, the Company has put in place the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company including criteria for determining qualifications, positive attributes and independence of a Director as well as a policy on Board Diversity. The Policy is available at the website of the Company and the weblink is <https://www.jktyre.com/NominationRemunerationPolicy.pdf>. The salient features of the Policy are as follows:

- (i) The Nomination and Remuneration Committee of Directors (the Committee) shall take into consideration the following criteria for recommending to the Board for appointment as a Director of the Company: (a) Qualifications & experience. (b) Positive attributes like - respect for Company's core values, professional integrity, strategic capability with business vision, etc. (c) In case the proposed appointee is an Independent Director, he should fulfill the criteria for appointment as Independent Director as per the applicable laws & regulations. (d) The proposed appointee should have the capabilities identified in the description of the role and capabilities required of an independent director as may be prepared by the Committee. (e) The incumbent should not be disqualified for appointment as Director pursuant to the provisions of the Act or other applicable laws & regulations.
- (ii) The Committee will recommend to the Board appropriate compensation to the Executive Directors subject to the provisions of the Act, Listing Regulations and other applicable laws & regulations. The Committee shall periodically review compensation of such Directors in relation to other comparable companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.



- (iii) The evaluation of the performance of the Board, its committees and the individual Directors will be carried out by the Board, on an annual basis, in the manner specified by the Nomination and Remuneration Committee of Directors for such evaluation and in accordance with the other applicable provisions of the Companies Act, 2013 and the Listing Regulations, in this regard.
- (iv) The Committee will review from time to time, Board diversity to bring in professional performance in different areas of operations, transparency, corporate governance, financial management, risk assessment & mitigation strategy and human resource management in the Company. The Company will keep succession planning and board diversity in mind while recommending any person for appointment as a Director on the Board.
- (v) The eligibility criteria for appointment of Key Managerial Personnel (KMPs) and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of KMPs shall be filled in by senior personnel having relevant qualifications and experience. The Compensation structure for KMPs and other senior management personnel shall be as per Company's remuneration structure taking into account factors such as level of experience, qualification and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration would be linked to appropriate performance benchmarks. The remuneration may consist of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

11. REMUNERATION PAID TO DIRECTORS:

- (i) Executive Directors: The remuneration for the financial year ended 31st March 2022 to the Executive Directors is as follows: Dr. Raghupati Singhania, Chairman & Managing Director: Salary – ₹8.80 crores, Perquisites - ₹0.32 crore and retirement benefits, such as contribution to Provident Fund, etc. - ₹0.07 crore aggregating to ₹9.19 crores plus ₹3.20 crores payable as Commission; Shri Bharat Hari Singhania, Managing Director (upto 30th September 2021): Salary - ₹1.98 crores, Perquisites - NIL and retirement benefits, such as contribution to Provident Fund, etc. - ₹0.04 crore, aggregating to ₹2.02 crores plus ₹1.50 crores payable as Commission; Shri Anshuman Singhania, Managing Director: Salary - ₹5.34 crores, Perquisites - ₹0.47 crore and retirement benefits, such as contribution to Provident Fund, etc. - ₹0.07 crore aggregating to ₹5.88 crores plus ₹3.00 crores payable as Commission and Shri Arun K. Bajoria, Director & President - International Operations: Salary - ₹4.74 crores, Perquisites - 0.0 and retirement benefits, such as contribution to Provident Fund, etc. - ₹0.08 crore aggregating to

₹4.82 crores plus ₹0.35 crore payable as Commission. The Company does not have any Stock Option Scheme.

The tenure of office of the Chairman & Managing Director, the Managing Director is five years from the respective dates of their appointments and three years from the date of appointment in case of Director & President - International Operations. In the case of all Executive Directors, notice period is six months. Severance Fees for the Chairman & Managing Director and the Managing Director is equivalent to the remuneration for the unexpired residue of respective terms or for three years, whichever is shorter.

During the financial year ended 31st March 2022, Dr. Raghupati Singhania, Chairman & Managing Director and Shri Bharat Hari Singhania, Managing Director (upto 30th September 2021), received commission from Bengal & Assam Company Ltd., holding company, amounting to ₹2.50 Lakh and ₹3.50 Lakh, respectively.

- (ii) Non-Executive Directors: The Company has paid sitting fees for attending the meetings of the Board and/or Committees thereof, to all Non-Executive Directors, namely - Shri Arvind Singh Mewar - ₹4.30 Lakh, Shri Bakul Jain - ₹5.50 Lakh, Shri Shreekanth Somany - ₹6.00 Lakh, Smt. Meera Shankar - ₹3.50 Lakh, Smt. Sunanda Singhania - ₹2.40 Lakh, Shri Vimal Bhandari - ₹3.75 Lakh, Shri Kalpataru Tripathy - ₹5.25 Lakh, Dr. Wolfgang Holzbach - ₹3.00 Lakh, and Shri Bharat Hari Singhania, (who is continuing as a NED w.e.f. 1st October 2021) - ₹1.70 Lakh, aggregating to ₹35.40 Lakh. In addition to sitting fees, commission was also payable to the Non-Executive Directors amounting to ₹14.00 Lakh each and ₹50.00 Lakh to Shri Bharat Hari Singhania, (proportionate to his tenure during the financial year ended 31st March 2022 as a Non-Executive Director i.e., from 1st October 2021 to 31st March 2022), aggregating to ₹162.00 Lakh, in accordance with the Special Resolution passed by the members of the Company at the Annual General Meeting held on 25th September 2014. In accordance with the Special Resolution passed by the members of the Company at the Annual General Meeting held on 27th August 2021, Shri Bharat Hari Singhania, has also been paid a remuneration of ₹2.01 crores who is continuing as a Non-Executive Director w.e.f. 1st October 2021. During the financial year ended 31st March 2022, CMDS, a one-person company controlled by Dr. Wolfgang Holzbach has also been paid ₹2.52 Lakh towards consultancy services.

Non-Executive Directors did not have any other material pecuniary relationship or transaction vis-à-vis the Company during the year except as stated above.

12. GENERAL BODY MEETINGS:

Location and time for the last three Annual General Meetings (AGM) of the Company were:

Financial Year	Location	Date	Time (IST)
2018-19	Jaykaygram, PO-Tyre Factory, Kankroli- 313 342 (Rajasthan)	14.8.2019	11.30 A.M.
2019-20	held through Video Conferencing, deemed venue is the Registered Office of the Company, as mentioned above	22.9.2020	12:15 P.M.
2020-21	Same as above	27.8.2021	12:15 P.M.

Details of the Special Resolution (SR) passed: Seven SRs were passed at the AGM held in the year 2019; one SR was passed at the AGM held in the year 2020 and four SRs were passed at the AGM held in the year 2021.

No SR was required to be put through postal ballot during the financial year ended 31st March 2022. There is no immediate proposal for passing any resolution through postal ballot.

13. DISCLOSURE:

- (i) **Related Party Transactions:** Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large: **None**

Suitable disclosures as required by Ind AS 24 – Related Party Transactions have been made in the Annual Report.

All the Related Party Transactions are dealt with in accordance with the provisions of the Companies Act, 2013 and Regulation 23 of the Listing Regulations.

The Company has also formulated a policy on the materiality of Related Party Transactions and also on dealing with Related Party Transactions. This Policy is available on the website of the Company and the weblink for the same is <http://www.jktyre.com/RPolicy.pdf>

- (ii) **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:**

There were no cases of non-compliance of any matter related to capital markets during the last three years.

- (iii) **Vigil Mechanism/Whistle Blower Policy:** The Board of Directors of the Company at its meeting held on 12th August 2014 has formulated Vigil Mechanism/Whistle Blower Policy for the Directors and Employees of the Company to report their genuine concerns or grievances relating to actual or suspected fraud, unethical behaviour, violation of the Company's Code of Conduct or Ethics Policy, and any other event which would adversely affect the interests of the business of the Company.

Whistle Blowers may send their concerns/complaints to the Chairman of Audit Committee in a sealed envelope marked confidential, for appropriate action.

The details of establishment of such mechanism have been also disclosed on the website of the Company. It is affirmed that no personnel has been denied access to the Audit Committee.

- (iv) **Prevention of Sexual Harassment of Women at Workplace:** Your Company is sensitive to women employees at workplace.

As required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has a formal policy to ensure safety of women and prevention of sexual harassment and the Company has complied with provisions relating to the constitution of Internal Complaints Committee (ICC) under the said Act at its workplaces to redress the complaints of women employees.

During the financial year ended 31st March 2022, no complaint has been filed with ICC with allegation of Sexual Harassment. Further, there were no complaints pending as on the end of the financial year 31st March 2022.

- (v) **Disclosure of commodity price risks and commodity hedging activities:** As a part of Risk Management mechanism, the Company has identified fluctuations in commodity prices as one of the risks. To mitigate the same, the Company undertakes commodity hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to ensure availability of raw material and prices under check.

During the financial year ended 31st March 2022, no complaint has been filed with ICC with allegation of Sexual Harassment. Further, there were no complaints pending as on the end of the financial year 31st March 2022.

- (vi) **Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** During the financial year ended 31st March 2022, the Company has not raised any funds through preferential allotment and there is no pending utilisation of any such funds, previously raised by the Company.

During the financial year, the Company has not raised any funds through Qualified Institutions Placement.

- (vii) **Certificate:** The Company has received a certificate dated 9th May 2022 from Shri Namo Narain Aggarwal, Company Secretary in Practice (FCS 234, CP No. 3331) that none of the Directors on the Board of JK Tyre & Industries Ltd. has been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

- (viii) **Subsidiary Companies:** The financial statements, in particular, the investments made by unlisted subsidiary companies, if any, are reviewed by the Audit Committee.

The minutes of Board Meetings of the unlisted subsidiary companies are placed at the Board Meetings of the Company. A statement of all significant transactions and arrangements



entered into by the unlisted subsidiary companies, if any, are also placed at the Board Meeting of the Company.

The Company has formulated a Policy for determining material subsidiary. The Policy is available on the website of the Company and the weblink for the same is <http://www.jktyre.com/pdms.pdf>.

(ix) **Corporate Social Responsibility Committee:** The Company has a 'Corporate Social Responsibility Committee of Directors' which comprises of four Directors out of which two are Independent and two are Executive Directors. The composition and the role of the Committee are in conformity with the provisions of Section 135 of the Companies Act, 2013. Two Meetings of the Committee were held during the financial year ended 31st March 2022 i.e., on 19th May 2021 and on 3rd February 2022. Dr. Raghupati Singhania (Chairman of the Committee), Smt. Meera Shankar and Shri Arun K. Bajoria (Members) attended all the Meetings held during the said financial year and Shri Arvind Singh Mewar attended the meeting held on 19th May 2021.

(x) **Dividend Distribution Policy:** The Board at its meeting held on 9th February 2017 has formulated Dividend Distribution Policy as per the requirements of the Listing Regulations. The Policy is available on the website of the Company and the weblink for the same is <https://jktyre.com/DividendDistribution.pdf>.

(xi) There were no instances where the Board had not accepted any recommendation of any Committee of the Board during the financial year ended 31st March 2022.

(xii) **Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:** During the financial year ended 31st March 2022, the Company has paid total fees for various services including statutory audit, amounting to ₹43 Lakh to the Statutory Auditor, namely - M/s S S Kothari Mehta & Company, Chartered Accountants. No fees have been paid by any of the subsidiaries to the said Statutory Auditor. Further, no fees were paid by any of the subsidiaries or by the Company to any entity in the network firm/network entity of which the Statutory Auditor is a part.

(xiii) Disclosure by the Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount': NIL

14. MEANS OF COMMUNICATION:

Quarterly, half-yearly and annual results are published in leading English Newspapers and also in a Hindi language Newspaper (published from Rajasthan). The said results are promptly furnished to the Stock Exchanges for display on their respective websites and are also displayed on the Company's website.

Presentations made to institutional investors or to the analysts, if any, are promptly displayed on the website of the Company.

15. GENERAL SHAREHOLDER INFORMATION:

(i) Registered Office:	Jaykaygram, PO - Tyre Factory, Kankroli- 313 342 (Rajasthan) Phone No: 02952-233400/233000
(ii) Annual General Meeting (AGM) for FY 2021-22:	
(a) Date, Time & Venue:	26 th August, 2022 at the Registered Office of the Company at 11:30 A.M.
(b) A brief resume and other particulars of Director(s) seeking appointment or re-appointment at the aforesaid AGM are given in the Notes to the Notice convening the said Meeting.	
(iii) Financial Calendar (tentative)	FY April 1 - March 31
Financial Reporting:	
<ul style="list-style-type: none"> 1st Quarter ending 30th June 2022 2nd Quarter ending 30th September 2022 3rd Quarter ending 31st December 2022 	} Within 45 days of the end of the quarter or within such time limits as may be permissible.
<ul style="list-style-type: none"> Annual and 4th Quarter ending 31st March 2023 	
<ul style="list-style-type: none"> Annual General Meeting for the financial year 2022-23 	Within 60 days of the end of the 4 th quarter or within such time limits as may be permissible.
(iv) Dividend Payment Date:	Dividend Payment is planned within two weeks of conclusion of AGM.

(v) Date of Book Closure/Record Date:	20 th August 2022 to 26 th August 2022 (both days inclusive).
(vi) Names and addresses of Stock Exchanges where equity shares of the Company are listed	The Equity Shares of the Company are listed on the following Stock Exchanges: <ul style="list-style-type: none"> (i) BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 (ii) National Stock Exchange of India Ltd. (NSE), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 <p>The annual listing fee for the financial year 2022-23 have been paid to both the aforesaid Stock Exchanges.</p> <p>The securities of the Company are not suspended from trading.</p>
(vii) Security Code for Company's Equity Shares on Stock Exchanges and ISIN	BSE – 530007 NSE – JKTYRE ISIN – INE573A01042

(viii) Stock Market Price Data

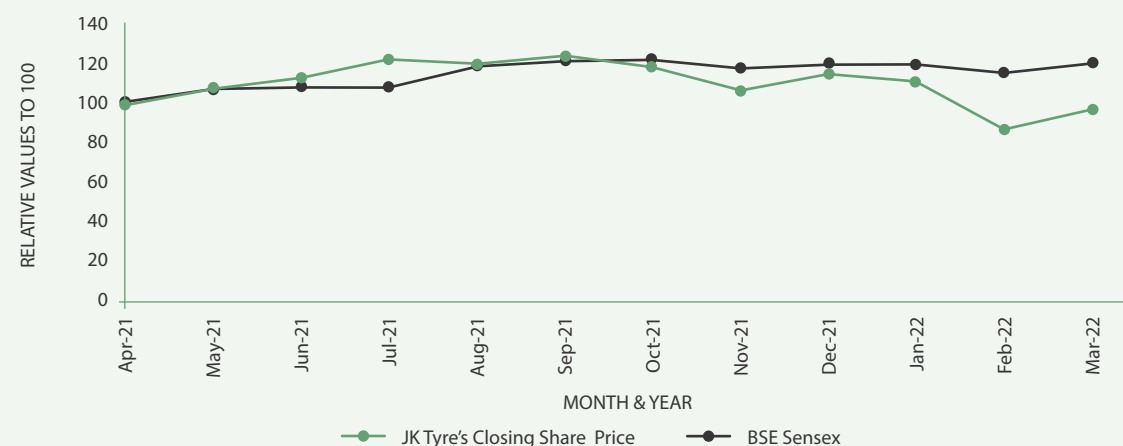
Month & Year	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April-2021	127.20	103.20	127.50	103.25
May-2021	132.30	113.00	132.40	112.95
June-2021	156.50	127.15	156.60	127.20
July-2021	150.20	136.80	150.30	136.60
August-2021	166.00	139.00	166.25	138.80
September-2021	160.90	143.50	161.00	143.50
October-2021	171.60	140.25	171.70	140.30
November-2021	149.90	126.55	149.40	126.55
December-2021	146.50	128.25	146.80	127.65
January-2022	144.00	132.20	144.00	132.30
February-2022	137.70	104.50	137.75	104.40
March-2022	121.90	98.00	121.25	98.00

JK Tyre & Industries Ltd.'s (JK Tyre's) Share Performance v/s BSE Sensex (April 2021 – March 2022)

Month & Year	BSE - JK Tyre's Share Price (Closing)		BSE Sensex (Closing)	
	₹	Relative Values to 100	Actual	Relative Values to 100
April-21	121.60	100.00	48782.36	100.00
May-21	130.35	107.20	51937.44	106.47
June-21	136.95	112.62	52482.71	107.59
July-21	148.45	122.08	52586.84	107.80
August-21	145.25	119.45	57552.39	117.98
September-21	150.55	123.81	59126.36	121.20
October-21	143.50	118.01	59306.93	121.57
November-21	128.65	105.80	57064.87	116.98
December-21	139.25	114.51	58253.82	119.42
January-22	134.90	110.94	58014.17	118.92
February-22	105.35	86.64	56247.28	115.30
March-22	117.30	96.46	58568.51	120.06



JK Tyre's Share Performance v/s BSE Sensex



(ix) Distribution of Shareholding (as on 31st March, 2022):

No. of Equity Shares Held (of ₹2/- each)	No. of Shares		Shareholders	
	Number	% of Total	Number	% of Total
1-250	10480350	4.26	183624	85.12
251-500	6478717	2.63	16755	7.77
501-1000	6702149	2.72	8530	3.95
1001-5000	12177080	4.95	5711	2.65
5001-10000	4267693	1.73	584	0.27
10001 & above	206124891	83.71	522	0.24
Total	246230880	100.00	215726	100.00

(x) Share Transfer System

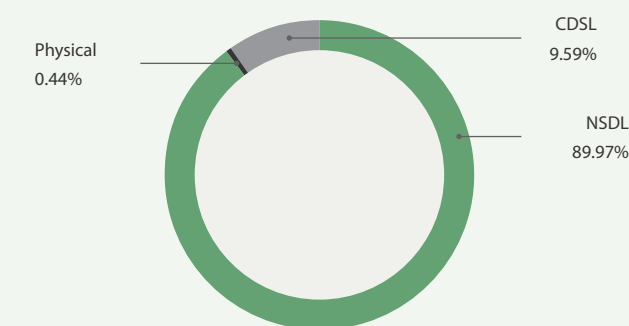
SEBI has mandated that securities of listed companies can be transferred/traded only in dematerialised form. Further, SEBI vide its circular dated 25th January, 2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, subdivision/splitting/consolidation of certificate, transmission and transposition be also processed in dematerialised form only. The necessary forms for the above request are available on the website of the Company i.e. www.jktyre.com.

In case of shares held in dematerialised form, the transfers are processed by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) through the respective Depository Participants.

(xi) Dematerialisation of Shares and Liquidity

Trading in the Equity Shares of the Company is permitted only in dematerialised form. Shareholders may dematerialise their holdings with any one of the Depositories – namely, NSDL and CDSL. The Equity Shares of the Company are actively traded on BSE and NSE. In respect of shares held in demat form, all the requests for nomination, change of address and rematerialisation, etc. are to be made only to the Depository Participant with whom the shareholders have opened their Demat Account.

Shares held in Demat Form with NSDL & CDSL and in Physical Form as on 31st March 2022



As on 31st March 2022, 99.56% of the Equity Shares are held in dematerialised form.

(xii) Outstanding GDRs/ADRs/Warrants/ or any Convertible instruments, conversion date and likely impact on equity - NIL

(xiii) Commodity price risk or foreign exchange risk and hedging activities:

During the financial year ended 31st March 2022, the Company has managed the foreign exchange risk and hedged to the extent considered prudent and necessary. For hedging foreign exchange exposures against imports and exports the Company enters into forward contracts considering market conditions.

The Company identifies and implement plans for mitigating the risks through a well laid out Risk Management framework. The risks as well as plans to mitigate these risks are reviewed regularly and are updated as may be required. The Company has also identified various risks involved in respect of key raw material and has drawn risk mitigation plans for the same. Rubber is considered a material commodity, as its consumption in comparison to the overall cost of raw material consumed, is more than 30%. During the year ended 31st March 2022, the Company consumed 87500 MT rubber, valuing ₹1,439 crores. The Company does not have any exposure hedged through commodity derivatives.

(xiv) Plant Locations

(a)	Jaykaygram, Rajasthan
(b)	Banmore, Madhya Pradesh
(c)	Mysuru Plant I, Karnataka
(d)	Mysuru Plant II, Karnataka
(e)	Mysuru Plant III, Karnataka
(f)	Chennai Plant, Tamil Nadu

(xv) Address for Correspondence for Share Transfer and Related Matters

- Vice President (Legal) & Company Secretary
JK Tyre & Industries Ltd.
Secretarial Department
Gulab Bhawan
6A, Bahadur Shah Zafar Marg,
New Delhi -110 002.
Phone No.: 91-11-68201262
Fax No.: 91-11-23322059
Email: investorjktyre@jkm.com
Website: www.jktyre.com
- Registrar & Share Transfer Agent
Alankit Assignments Ltd.
4E/2, Alankit House,
Jhandewalan Extension,
New Delhi-110 055 (India)
Phone No. : 91-11-42541234
Contact Person: Shri J.K. Singla
Email: rta@alankit.com
Website: www.alankit.com

(xvi) List of all Credit Ratings obtained by the Company along with revisions thereto during the financial year ended 31st March 2022, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilisation of funds, whether in India or abroad:

- Ratings to various facilities of the Company by CARE Ratings Ltd. are: (a) Long term Bank Facilities - CARE A; Stable. Rating Action – Revised from CARE A-; Stable. (b) Short term Bank Facilities - CARE A1. Rating Action – Revised from CARE A2+. (c) Long term / Short term Bank Facilities - CARE A; Stable / CARE A1. Rating Action – Revised from CARE A-; Stable / CARE A2+. (d) Fixed Deposit - Long/Short term instruments - CARE A (FD); Stable/ CARE A1 (FD). Rating Action – Revised from CARE A- (FD); Stable/ CARE A2+ (FD).
- Ratings to various facilities of the Company by India Ratings & Research Pvt. Ltd. are: (a) Long-term loans - IND A/ Stable. (b) Fund-based and non-fund based limits - IND A/ Stable/ IND A1. (c) Term Deposit - IND tA+/ Stable. India Ratings & Research Pvt. Ltd. has not reviewed ratings of the Company during FY 2021-22.

(xvii) This Corporate Governance Report of the Company for the financial year ended 31st March 2022 is in compliance with the requirements of Corporate Governance under the Listing Regulations, as applicable.



(xviii) Adoption of discretionary requirements specified in Part E of Schedule II of the Listing Regulations- (a) The Board: The Chairman of the Company is Executive; (b) Shareholder Rights: Half-yearly and other quarterly financial results are published in newspapers and uploaded on Company's website www.jktyre.com. At present, the half-yearly financial performance and the summary of the significant events in last six months are not sent to each household of shareholders; (c) Modified opinion(s) in audit report: The Company already has a regime of unqualified financial statements. Auditors have raised no qualification on the financial statements; (d) Separate posts of Chairperson and the Managing Director or the CEO: Dr. Raghupati Singhania is the Chairman & Managing Director of the Company; and (e) Reporting of Internal Auditor: The Head of Internal Audit of the Company administratively reports to Shri Anshuman Singhania, Managing Director. However, his Internal Audit Reports are placed before the Audit Committee.

(xix) The Company has complied with all the applicable requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

(xx) Bankers:

Bank of India	State Bank of India
Union Bank of India	The Federal Bank Ltd.
IDBI Bank Ltd.	HDFC Bank Ltd.
Indian Bank	Bank of Baroda
Punjab National Bank	

(xxi) (a) Transfer of Shares to IEPF Authority

As on 1st April 2021, the Company had 8,47,430 Equity Shares in the demat account of Investor Education and Protection Fund Authority (IEPF Authority). In accordance with the Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (IEPFA Rules), the Company has transferred 25,293 Equity Shares to the demat account of the IEPF Authority, during the year. During the year, 2 shareholders have claimed back 560 Equity Shares from the IEPF Authority. As on 31st March 2022, there are 8,72,163 Equity

Shares in the demat account of IEPF Authority. The details of such shareholders are available on the website of the Company. The said shares can be claimed back by the shareholders from the IEPF Authority as per the procedure laid down in the IEPFA Rules.

(b) Information in terms of Schedule V(F) of the Listing Regulations:

As on 1st April 2021, the Company had 49,350 Equity Shares, which were unclaimed by 186 Equity Shareholders. These were lying in dematerialised mode in the suspense account. Out of the above, the Company has transferred 15,135 Equity Shares, which remained unclaimed by 61 Equity Shareholders, to the demat account of IEPF Authority, during the year, as aforesaid. During the financial year ended 31st March 2022, the Company has not received any request for dispatch of Equity Shares, from the suspense account. Accordingly, as on 31st March 2022, the Company has 34,215 Equity Shares which remain unclaimed by 125 Equity Shareholders in the suspense account. The "Unclaimed Suspense Account" is held by the Company purely on behalf of the allottees and the Shares held in such Suspense Account shall not be transferred except to the allottees as and when they approach the Company.

The voting rights on these shares as detailed in para (a) and (b) above, shall remain frozen till the rightful owners of such shares claim the same.

16. DECLARATION BY THE CHAIRMAN & MANAGING DIRECTOR:

It is hereby declared that all the members of the Board and the Senior Management personnel have affirmed compliance with the "Code of Conduct for Members of the Board and Senior Management of JK Tyre & Industries Ltd." during the Financial Year ended 31st March 2022.

17. PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE:

To,
The Members of
JK Tyre & Industries Limited

I have examined the compliance of the conditions of Corporate Governance by JK Tyre & Industries Limited ('the Company') for the financial year ended 31st March, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the Management of the Company. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by

the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the financial year ended on 31st March, 2022.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

The prevailing circumstances in the country on account of COVID-19 pandemic have, to some extent, impacted my verification of documents and records of the Company.

Namo Narain Agarwal

Company Secretary, FCS 234, CP No. 3331
UDIN: F000234D000351101

Place: New Delhi
Date: 20th May 2022



Business Responsibility & Sustainability Report (BRSR)

Section A: General Disclosures

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L67120RJ1951PLC045966
2. Name of the Listed Entity	JK Tyre & Industries Ltd.
3. Year of incorporation	1951
4. Registered office address	Jaykaygram, PO - Tyre Factory, Kankroli - 313 342 (Rajasthan)
5. Corporate address	3, Bahadur Shah Zafar Marg, New Delhi- 110 002
6. E-mail	investorjkyre@jkmail.com
7. Telephone	02952-233400/ 233000
8. Website	www.jktyre.com
9. Financial year for which reporting is being done	2021-22
10. Name of the Stock Exchange(s) where shares are listed	BSE Ltd. and National Stock Exchange of India Ltd.
11. Paid-up Capital	₹49.25 Crore
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Shri Arun K. Bajoria Director & President-International Operations Tel. Number- +91 11 68201106 E-mail id: akbajoria@jkmail.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures under this report are made on a standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Manufacturing and Sale of Automotive Tyre, Tubes & Flaps and ancillary services.	99.62%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Automotive Tyres, tube and Flaps	22111* *As per National Industrial Classification (2008)	99.62 %

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	6 (at 4 locations)	181	187
International	NIL	3	3

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	29 States/ PAN India
International (No. of Countries)	100+ Countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports from India – ₹1,566.15 crores

% to Total Turnover – 19.42%

c. A brief on types of customers:

Company serves Automobile Original Equipment Manufacturers (OEMs), Truck fleets, Smart fleet buses including State Transport Undertakings, Cars-private owned/fleets, Farm equipment, Earthmovers, Construction equipment, 2-3wheeler makers, Replacement markets and also Exports its products.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1920	1881	97.97%	39	2.03%
2.	Other than	241	239	99.17%	2	0.83%
Permanent (E)						
3. Total employees (D + E)		2161	2120	98.10%	41	1.90%
WORKERS						
4.	Permanent (F)	3975	3968	99.82%	7	0.18%
5.	Other than Permanent (G)	5189	5125	98.77%	64	1.33%
6. Total workers (F + G)		9164	9093	99.22%	71	0.78%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)	1	1	100%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3. Total differently abled employees (D + E)		1	1	100%	-	-
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	10	10	100%	-	-
5.	Other than Permanent (G)	0	0	-	-	-
6. Total differently abled workers (F + G)		10	10	100%	-	-

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	2	16.66%
Key Management Personnel*	5	0	NIL

*Including three Executive Directors

**20. Turnover rate for permanent employees and workers**

(Disclose trends for the past 3 years)

	FY 2021-22 (Turnover rate in current FY)			FY 2020-21 (Turnover rate in previous FY)			FY 2019-20 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	199 (9.4%)	7 (0.3%)	206 (9.71%)	172 (7.88%)	2 (0%)	174 (7.97%)	227 (10.12%)	5 (0.2%)	232 (10.34%)
Permanent Workers	161 (4.38%)	-	161 (4.38%)	97 (2.53%)	-	97 (2.53%)	115 (2.73%)	4 (0.09%)	119 (2.82%)

V. Holding, Subsidiary and Associate Companies (including joint ventures)**21. (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity @	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Bengal & Assam Company Ltd.	Holding	52.80%	NO
2	J. K. International Ltd.	Subsidiary	100%	These are foreign entities. Hence, they follow the laws of their respective countries/regions.
3	J. K. Asia Pacific Ltd.	Subsidiary	100%	
4	J. K. Asia Pacific (S) Pte. Ltd.	Subsidiary	100%	
5	3D Innovations Pvt. Ltd.	Subsidiary	100%	NO
6	Cavendish Industries Ltd.	Subsidiary	87.46%	YES
7	Lankros Holdings Ltd.	Subsidiary	100%	These are foreign entities. Hence, they follow the laws of their respective countries/regions.
8	Sarvi Holdings Switzerland AG	Subsidiary	100%	
9	JK Tornel, S.A. de C.V	Subsidiary	99.98%	
10	Comercializadora América Universal, S.A. de C.V	Subsidiary	99.98%	
11	Compañía Hulera Tacuba S.A. de C.V	Subsidiary	99.98%	
12	Compañía Hulera Tornel, S.A. de C.V	Subsidiary	99.98%	
13	Compañía Inmobiliaria Norida, S.A. de C.V.	Subsidiary	99.98%	
14	General de Inmuebles Industriales, S.A. de C.V	Subsidiary	99.98%	
15	Gintor Administración, S.A. de C.V	Subsidiary	99.98%	
16	Hules Y Procesos Tornel S.A. de C.V.	Subsidiary	99.98%	
17	Valiant Pacific LLC	Associate	49%	
18	Western Tire Holdings, Inc.	Associate	40%	
19	Hari Shankar Singhania Elastomer & Tyre Research Institute #	Associate	24%	YES
20	Dwarkesh Energy Ltd.	Associate	35% (OCCRPS -33.33% **)	NO
21	Treel Mobility Solutions Pvt. Ltd.	Associate	26%	YES

@ Percentage of shares held represents aggregate % of shares held by the Company and/or its subsidiaries, wherever applicable

** OCCRPS - Optionally Convertible Cumulative Redeemable Preference Shares

Hari Shankar Singhania Elastomer and Tyre Research Institute, is an approved Scientific and Research Institute which cannot distribute Equity Dividend to its shareholders being a Company licensed under Section 25 of the Companies Act, 1956.

VI. CSR Details**22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/ / No)**

(ii) Turnover (in ₹)	8,062.26 crores
(iii) Net worth (in ₹)	2,526.10 crores

VII. Transparency and Disclosures Compliances**23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Investors (other than shareholders)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Shareholders	Yes** www.jktyre.com	4	0	**	2	0	**
Employees and workers	Yes#	0	0	-	0	0	-
Customers	Yes www.jktyre.com	2397	0	-	1840	0	-
Value Chain Partners	Yes www.jktyre.com	0	0	-	0	0	-
Others-Local community	Yes www.jktyre.com	0	Regular connect with Local communities through various need-based CSR interventions	-	0	0	-

** The Company has a dedicated Manager level employee who regularly keeps a track of the complaints received from shareholders and promptly responds (say 2 to 3 days) to the complainant to ensure that the complaint is resolved immediately to the satisfaction of the shareholder without any delay. All the complaints of shareholders received during a quarter, if any and actions taken thereon are placed before a Board Level Committee, constituted under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

Web link of the Policy is not available, only policy is available – "SAMADHAN" at Kankroli Tyre Plant..

24. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Please refer the "Materiality section" of our Integrated Annual Report 2021-22					

Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)- NOTE 1	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available- Note 2	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes



Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	IATF 16949, SA 8000, ISO 22301	ISO 45001, ISO 14001, ISO 50001	ISO 45001, SA 8000, British Safety Council OHS system	IATF 16949	SA 8000	ISO 14001, ISO 14001, Green Co Rating, British Safety Council FSES system	SA 8000, Sustainability Reporting as per GRI	ISO 22301	IATF 16949
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Goals and targets are set annually and specific commitments are set periodically. Specific sustainability targets have been identified and timelines for achieving carbon neutrality are being defined. We, at JK Tyre pursue a Quality Journey. Our Mission statement, Manufacturing Excellence, specific long term & short-term goals are all approved by top management.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	For all identified KPIs, performance reviews are conducted on an annual basis by the Top Management in Business Review meetings.								

Note 1- These Policies, however, have been signed by Director & President - International Operations.
Note 2 - It has been the Company's practice to upload all the policies on the intranet site for the information and implementation by internal stakeholders. The Code of Conduct for Board Members and Senior Management, and CSR Policy are available on the website of the Company - <http://www.jktyre.com/codeofconduct.aspx> and <http://www.jktyre.com/CSRPolicy.pdf>

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:
Reply: We at JK tyre are committed to inclusive growth objectives as targeted through UN Sustainable development goals. We as a responsible corporate citizen continue to strive for improving our performance towards environmental and social impacts while maintaining focus on economic development.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).
 Shri Arun K. Bajoria
 Director & President - International Operations
 DIN: 00026540

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Name	DIN	Designation
Dr. Raghupati Singhania, Chairman of the Committee	00036129	Chairman & Managing Director
Shri Arvind Singh Mewar, Member	00008244	Independent Director
Smt Meera Shankar, Member	06374957	Independent Director
Shri Arun K. Bajoria, Member	00026540	Director & President - International Operations

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Performance review of selected Key Performance Indicators are conducted by Director -Manufacturing at defined frequency									Review frequency of all the KPIs are defined (IATF, ISO 14001, ISO 45001, ISO 50001 – Monthly) (ISO 14064 - Quarterly) (SA 8000 – Half yearly).								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Compliance review of statutory requirements are being done by Top Management including rectification of Non-Compliances.									Monthly Report to Top Management by Plant Head for all statutory compliance.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Reply- Yes, Independent assessment is done by the following agencies:
P1 IATF & ISO 22301 by DNV & SA 8000 by BSI- India
P2 ISO 45001 & ISO 14001 by DNV & ISO 14064 & ISO 50001 by BSI- India
P3 SA 8000 by BSI-India & ISO 45001 by DNV
P4 IATF 16949 by DNV & SA 8000 by DNV
P5 SA 8000 by BSI- India
P6 ISO 14001 by DNV , Green Co by CII & FSES System by British Safety Council
P7 SA 8000 & sustainability Reporting as per GRI by BSI- India
P8 ISO 22301 by DNV
P9 IATF 16949 by DNV

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

Section C: Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	2	Sustainability* Digital Transformation**	100%
Key Managerial Personnel	2	Sustainability* Digital Transformation**	100%
Employees other than BoD and KMPs	90	Effective Leadership Managerial Excellence SA 8000	100%
Workers	115	Culture of High Performance SA 8000	100%

* All constituents/all stakeholders have been sensitized towards the need for sustainable business.

** In order to be in sync with changing business dynamics, various operations/ processes of the Company are being digitalized to eliminate the element of human involvement and human error.



2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	P9	Competition Commission of India (CCI)	₹309.95 crore	The order of Competition Commission of India (CCI) dated 31 st August 2018, for alleged contravention of Section 3 of the Competition Act, 2002 published on 2 nd February 2022.	YES
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-

Non-Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/ judicial institutions
On 2 nd February 2022, CCI published an order dated 31 st August 2018, for alleged contravention of Section 3 of the Competition Act, 2002 against JK Tyre & Industries Ltd. ("Company") and certain other domestic tyre manufacturing companies and has imposed a penalty of ₹309.95 Crore on the Company and a penalty of ₹16.45 Lakh under Section 48 of the Competition Act, 2002 against Director & President - International Operations of the Company.	The Company has filed an Appeal on 29 th March 2022 before the Hon'ble National Company Law Appellate Tribunal ('NCLAT') against the said CCI Order dated 31 st August 2018. On the same day, the Director & President - International Operations has also filed an appeal before the NCLAT against the said order dated 31 st August 2018.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Reply: Yes, we do have a policy. In addition, the required steps to ensure proper reporting of such incidents have been given in Vigil/ Whistleblower policy.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	FY 2021-22 (Current Financial Year)		FY 2020-21 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	N.A.	NIL	N.A.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	N.A.	NIL	N.A.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest- NIL

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Channel partners- 26 Nos.	Principle 1 to 9	More than 50%
Suppliers- 13 Nos.	Principle 1 to 9	More than 50%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Reply: Yes, we do have a process in place which is governed by the "policy on Code of conduct for Members of the Board and Senior Management" of JK Tyre & Industries Ltd. Web link to the same is: <http://www.jktyre.com/codeofconduct.aspx>

Principle 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)	Details of Improvement in Environmental & social impacts
R&D	0.56%	0.23%	Our material sustainability projects are addressing the "Effect of Tyres on Environment" which will help the environment as well as society in the following ways: 1. Reduce petroleum based raw material consumption, which will help to save Mother Earth. 2. Increase use of recycled materials in Tyre manufacturing will help to reuse / recycle used tyres and in turn will reduce environmental burden as tyre is a non-biodegradable material 3. Reduce CO2 emission in the environment, which will help reduce green-house gas emissions
Capex	7.44%	4.77%	

2. a. Does the entity have procedures in place for sustainable sourcing?

Reply: Yes, we do have a Sustainable Procurement Policy and the same is on our website

https://jktyre.com/PDF_Corporate_Policy.pdf

- b. If yes, what percentage of inputs were sourced sustainably?

Reply: 47.6% of the input raw materials (by weight) and 47.1% (by value) are sustainably sourced and all our procurement processes are 99% sustainable.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Reply: We at JK tyre, are certified by an Independent 3rd party (BIS) as Zero waste to landfill facilities. All the plastic waste, E-waste, hazardous waste and other wastes are disposed in accordance with Pollution Control Board (PCB) Guidelines. As a process, all waste generated at different locations at plants is aggregated at 1 central location, it is inventorized and disposed according to State PCB guidelines.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Reply: Yes, EPR will be applicable to the entity's activities. EPR as a subject is being addressed in the country for End of Life Tyre (ELT), by MoEF & CC, Govt of India. JK Tyre, being a member of ATMA and ITTAC, which are represented in the forum for addressing EPR, is actively participating in the discussions with the Govt of India



The products which are under our control for example:

1. Claim tyres received from the market
2. Process scrap tyres
3. Tyres used for destructive testing

These are being handled appropriately. No tyre is used in any of the non-approved activity such as land fill, burning etc.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Reply: Yes, we have conducted "Life cycle assessment" of our products i.e.; Tyres. As a mobility product and as a safety product, the assessment of various categories of our tyres like Truck/Bus Radial, Truck/Bus Bias, PCR etc. are done for its efficacy and adequacy and a large number of sample reference tyres are also evaluated for LCA on a regular basis.

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
C22	10.00-20 16 PR Jet R Miles	3.5%	Cradle to Grave (at Kankroli & Mysuru plant)	Yes	No
C22	215/60 R17 UX Royale	1.9%	Cradle to Grave (at Chennai plant)	Yes	No
C22	7.00R15 Steel King TT 12PR	4%	Cradle to Grave (at Mysuru & Banmore plant)	Yes	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Tyre Tube and Flap	Wrong usage of Waste / End of Life Tyre (ELT)	Handling through Approved Vendors

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)

Indicate Input Material	Recycled or Reused Input Material to Total Material	
	Current FY 2021-22	Previous FY 2020-21
Reclaimed, Reprocessed, De-Vulcanized & Crumb Rubber	0.3% by Value	0.3% by Value
	0.9% by Weight	0.9% by Weight

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2021-22 (Turnover rate in current FY)			FY 2020-21 (Turnover rate in previous FY)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastic (including Packaging)	-	101.07	958.6	-	86.27	610.2
E-waste	-	-	10.9	-	-	4.5
Hazardous waste	-	-	529.9	-	-	419.9
Other waste	-	-	8,510.9	-	-	6,190

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NOT APPLICABLE	NOT APPLICABLE

Principle 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

- 1.a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1881	1881	100%	1881	100%	-	-	-	-	-	-
Female	39	39	100%	39	100%	39	100%	-	-	-	-
Total	1920	1920	100%	1920	100%	39	100%	-	-	-	-
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

- b. Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	3968	-	-	3968	100%	-	-	-	-	-	-
Female	7	-	-	7	100%	7	100%	-	-	-	-
Total	3975	-	-	3975	100%	7	100%	-	-	-	-
Other than Permanent employees											
Male	5125	-	-	5125	100%	-	-	-	-	-	-
Female	64	-	-	64	100%	64	100%	-	-	-	-
Total	5189	-	-	5189	100%	64	100%	-	-	-	-

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2021-22 (Turnover rate in current FY)			FY 2020-21 (Turnover rate in previous FY)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	As per act	As per act	Yes	As per act	As per act	Yes
Others – please specify	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.



3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Reply: Yes, all the premises/offices are accessible in line with Disabilities Act 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Reply: JK Tyre is committed to being an equal opportunity employer and ensures an inclusive workplace for all. Web link: https://jktyre.com/PDF_Corporate_Policy.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Reply: Yes, we do have the mechanisms in place the details of which are mentioned below:

Permanent Workers: A detailed grievance handling procedure is in place. Different redressal committees like Safety committee, Canteen committee, PF committee, Benevolent Fund Committee, Cultural Committees, POSH Committee etc. are functioning regularly and addressing the issues immediately. In case of non-redressal, Union office bearers put up the issues before the management and same are resolved subject to merits of the issue.

Other than Permanent Workers: Badlis & Contract Workmen raise their grievances through their respective line managers, if not resolved, they can escalate the same to the HR Department through their respective contractors.

Permanent Employees: As a part of our open and transparent culture, we follow open door policy. So, every employee can share their concerns to their functional heads or leaders at any point in time.

Other than Permanent Employees: They can directly approach the respective HOD's/ In charges and the same is addressed by the respective HODs/ in charges.

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	N.A.					
- Male	N.A.			N/A – as MCS are not associated with unions		
- Female	N.A.					
Total Permanent Workers	3975	3265	88.14%	3443	3345	97.15%
- Male	3968	3259	81.13%	3435	3337	97.14%
- Female	7	7	100%	8	8	100%

8. Details of training given to employees and workers:

Category	FY 2021-22 Current Financial Year					FY 2020-21 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	1881	1615	85.86	1789	95.11	1858	1719	92.52	1725	92.84
Female	39	39	100	34	87.18	33	33	100	30	90.91
Total	1920	1654	86.14	1823	94.95	1891	1752	92.65	1755	92.81
Workers										
Male	3968	2704	68.14	3156	79.53	4214	2617	62.10	3054	72.47
Female	7	7	100	7	100	10	10	100	10	100
Total	3975	2710	68.17	3162	79.54	4224	2627	62.19	3064	72.53

9. Details of performance and career development reviews of employees and worker:

Category	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1881	1759	93.51%	1877	1738	93%
Female	39	34	87.18%	44	38	86%
Total	1920	1793	93.39%	1921	1776	92%
Workers						
Male	3968	3788	95.47%	4214	4126	98%
Female	7	7	100%	10	9	90%
Total	3975	3795	95.47%	4224	4135	97.90%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Reply: Yes, the same has been implemented. Occupational Health & Safety Activities are as given below:

- Pre-employment and Periodical Medical Assessments
- Health & Safety Training
- Safety Study
- Safety Audits
- Work Permit System
- Contractor Safety Management
- Occupational Health & Safety Communication
- Emergency Preparedness
- Incident Investigation
- COVID-19 safety awareness and vaccination programmes



Employee Selection Process:

- The employee selection process begins with an intricately structured Job description that is defined as per the tasks involved and competency of the candidate. Depending on the Degree/level, there are defined panels to evaluate the potential candidates. The Functional experts evaluate the functional skills whereas HR checks the candidate’s previous employment history. The shortlisted candidates are then taken through personality profiling through Psychometric tools which evaluates the behavioral/attitudinal dimension of the candidate. Once the candidate fulfils all these requirements, an official offer is made.
- All the new entrants (Both Employees and Stake holders) shall undergo a Pre-employment Medical Examination to prove his/her fitness to secure employment and to fulfill legal requirements. These reports are then verified by our Medical Officer.
- All the employees shall undergo a Safety Induction training beginning with Safety DOJO at Training Gallery and Class room trainings. All the trainings are evaluated for effectiveness.
- On successful completion of these requirements, candidate shall undergo “on the job training” before they deployed to work in the respective departments.
- All the employee’s health conditions are monitored annually by the Medical Officer through Periodical Medical Examination.

Contractor Selection Process:

- We have defined a procedure for Contract Safety Management which provides the process of Contractor Selection, Awarding the Contract, Training on Method Statements and Monitoring of their Safety Performance.
- Selection of contracting organization through a questionnaire to confirm their past performance with a criterion indicating Safety Performance, Qualification, Knowledge, Experience and Skills to perform the job safely.
- The Work Order communicates the requirement of Area Specific Statutory requirements, Organization/Location Safety requirements to the Contractor for complying. The Extended business partners shall undergo Pre-employment and Periodical Medical Examination to ensure his/her fitness to secure their job placement and fulfill the local legal requirements. This report is then verified by our Medical Officer and approved after verifying the medical examination report.
- All the Employees of Contractor shall undergo safety induction training (through Safety DOJO) before they are engaged for the contractual job.
- All the contractors Health conditions are monitored by the Medical Officer through Pre-employment and Periodical Medical examination.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Reply: Routine activities are monitored through adherence to Job Safety Analysis, Hazard Identification & Risk Assessment (HIRA), Standard operating procedure and Operational Control Procedure.

HIRA Format- Non-routine activities are monitored through 6 types of Work Permit system to ensure the Health and safety of Men, Machines and Materials which are:

- | | | |
|------------------------|--------------------------------|------------------------|
| a) Hot work permit | b) Confined space entry permit | c) Height work permit |
| d) General work permit | e) Electrical work permit | f) Lifting work permit |

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes✓ / No)

Reply: Yes, we are monitoring and rectifying the work-related hazards through various forums. Also, the feedback is received from workers. The below mentioned forums are used for receiving inputs and monitoring:

- Safety Patrol
- Work place Inspections (Like Mill Safety, PPE, Safety Devices, etc.)
- Safety Audits (Like Walk-through audit, Interdepartmental audit, Monthly theme wise Audit etc.)
- On the job “know your machine” trainings at the Shop Floor
- Safety Committee meetings
- Mock Drills

- Feedback received form the outcome of risk assessment, suggestions, Investigation process, behavior based safety observations, audit outcomes etc. are recorded and monitored as part of continual improvement

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes✓ / No)

Reply: Yes, we are operating full-fledged 24 X 7 Occupational Health Centres (OHCs)

- We have deployed qualified Doctors with Associate Fellowship and Industrial Hygiene (AFIH) degrees
- Qualified male and female nurses
- Ambulance drivers having valid license for driving the Ambulance
- OHC are equipped with necessary medical equipment’s as per the Factories Act Norms

At our Occupational Health Centers at plant locations, we also treat non-occupational Illness cases like fever, cold, tooth pain, etc. and provide them with first aid and necessary medical care under appropriate medical advice.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	0.09	0.20
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	2	4
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Reply: We are monitoring the health and safety results through various mechanisms to find out any deviation in the health and safety management system.

Following are the mechanism being used for monitoring our workplaces:

- Plant Safety instructions display boards installed
- Proactive Monitoring such as safety tours, audits, workplace inspections, statutory Inspections, outcomes from risk assessment, survey, hygiene, OHS Objectives and management programs, outcomes of safety committee meetings, BBS observation, mock drill etc.
- Reactive Monitoring such as near miss, illness cases, Injuries, reportable & non-reportable accident etc.
- Feedback received as part of risk assessment, suggestions, investigation process, audit outcomes etc. are recorded and monitored as part of continual improvement
- Kaizen Awards for promoting good safety practices
- One-point lesion installed
- MSDS installed for chemical areas
- On the job safety trainings
- Reviewing the no. of accidents is the priority agenda item for Top Management’s review.



13. Number of Complaints on the following made by employees and workers:

	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	1	NIL	N.A.	6	NIL	N.A.
Health & Safety	14	4	N.A.	74	3	N.A.

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Reply: To address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety, we have a structured root cause analysis format for detailed investigation and corrective action plans procedure at all locations.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Reply: Yes, for both employees and workers.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Reply: Monthly tracking mechanism for monitoring statute compliance every month. periodical internal as well as external audits are conducted to ensure 100% compliance

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)	FY 2021-22 (Current Financial year)	FY 2020-21 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No✓)

Reply: No, the entity does not offer any such assistance program.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Conducted at Leading material suppliers only as per Standard vendor audit procedure.
Working Conditions	As above mentioned for Health and safety practices.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Reply: No significant risk identified in the above audits.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Reply: The Company believes that an effective stakeholder engagement process is necessary for achieving its sustainability goal of inclusive growth and therefore, it is mandatory to clearly identify and map all concerned internal and external stakeholders. The Company has put in place systems and processes to identify, prioritize and address the needs and concerns of its stakeholders across all plant locations and other areas of its presence.

The Company has various mechanisms in place for engagement with these stakeholders such as employee engagement study, customer satisfaction surveys, organizing plant visits for the suppliers and for the investors, regular dealers’ meet and lenders’ meet, etc. There is also a dedicated email id for all stakeholders to engage with the Company.

This helped the Company in developing strong relationships with a large number of stakeholders. The lasting partnerships built with local communities and various other stakeholders have created a win-win situation for the Company and it’s stakeholders mutually contributing and supporting the growth and development of each other.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email, Meetings, Newspaper, Company website, Stock exchanges, other Statutory Authority	Regularly through Company’s website and website of stock exchanges, through Annual General Meetings	Disseminating and sharing of information with the shareholders with a view to update and also to seek their approval, etc. as may be required.
Institutional Investors	No	Meetings, Stock exchanges	Quarterly	Sharing the working and challenges
Investors other than Shareholders	No	Email, Newspaper, company website	Regularly	-
Vendors	No	Supplier meets	Half yearly, Annually	Env. health & safety and social policy development
Customers	No	Feedback surveys, customer meets, fitment surveys, 1 on 1 interactions	Need based, Periodically	Complaints handling and new product development communication
Statutory body	No	Interactions, Industry forum meets	Need based	Compliance, Industry concerns, Govt expectations
Employees	No	V connect, displays, trainings, SAMVAD, app-based learning, focused group discussions	Daily, weekly, monthly, need based, annually	Industry scenario, challenges/ issues, employee well-being, Grievance handling, career development
Community	Yes	Community meetings with local people. Leaders, NGOs, Government Departments, etc.	Annually and need based (Direct connect through CSR interventions)	Education, community health, livelihood & water based CSR interventions.
Channel partners	No	Dealer meets, audits, Training JK tyre dealer clubs, 1 on 1 interactions	Weekly, Monthly, Annually, Need based	Customer relationship, product knowledge

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Reply: Please refer to the stakeholder engagement section of Integrated annual report.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Reply: Please refer to the stakeholder engagement section of Integrated annual report.



3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Reply: JK Tyre always consciously acts as a responsible organization and engages with the marginalized and vulnerable sections of society. Our major engagement channels are with local communities and other stakeholders like drivers and transporters benefitting through our CSR interventions. We engage with them frequently through need assessment and other participatory methods to understand their needs and impact of our interventions. We have also provided essential COVID-19 relief to our various stakeholders such as society around us comprising local communities, hospitals, employees, workmen and business partners.

Principle 5 Businesses Should Respect and Promote Human Rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Total (A)	No. of employees workers covered (B)	% (B / A)	Total (C)	No. of employees workers covered (D)	% (D / C)
Employees						
Permanent	1920	350	18.23%	1896	314	16.56%
Other permanent than	241	0	-	0	0	-
Total Employees	2161	350	18.23%	1896	314	16.56%
Workers						
Permanent	3975	1954	49.16%	4017	1912	47.59%
Other permanent than	5189	2554	49.22%	5373	2512	46.75%
Total Employees	9164	4508	49.19%	9390	4424	47.11%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2021-22 Current Financial Year				FY 2020-21 Previous Financial Year					
	Total (A)	Equal to Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage			
		No. (B)	% (B / A)		No. (C)	% (C / A)	No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	1920	-	-	1920	100%	1921	-	-	1921	100%
Male	1881	-	-	1881	100%	1877	-	-	1877	100%
Female	39	-	-	39	100%	44	-	-	44	100%
Other than Permanent	241	-	-	241	100%	-	-	-	-	-
Male	239	-	-	-	-	-	-	-	-	-
Female	2	-	-	-	-	-	-	-	-	-
Workers										
Permanent	3975	-	-	3975	100%	4017	-	-	4017	100%
Male	3968	-	-	3968	100%	4009	-	-	4009	100%
Female	7	-	-	7	100%	8	-	-	8	100%
Other than Permanent	5189	5119	98.65%	70	1.37%	5234	5167	98.72%	67	1.30%
Male	5125	5055	98.63%	70	1.37%	5173	5106	98.70%	67	1.30%
Female	64	64	100%	-	-	61	61	100%	-	-

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	No.	Median remuneration/ salary/ wages of respective category	No.	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)-Executive Directors (ED)*	3	₹8,87,39,054	0	-
BOD- Non EDs	7	₹19,25,000	2	₹16,95,000
Key Managerial Persons**	5	₹1,85,23,253	0	-
Employees other than BoD and KMP	1881	₹8,74,716	39	₹9,39,713
Workers	3968	₹4,65,888	7	₹7,80,023

* The remuneration of one Executive Director (ED), who relinquished his office w.e.f. from 01.10.2021, is not considered in Median Calculation as his remuneration is only for the part of year.

** The median remuneration of 3 Executive Directors (KMPs) is covered as a part of Board of Directors, therefore not included in the median remuneration paid to KMPs.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **(Yes✓/ No)**
5. Describe the internal mechanisms in place to redress grievances related to human rights issues.
Reply: We have a grievance committee and a harassment committee which addresses such human right issues.
6. Number of Complaints on the following made by employees and workers:

	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NA.	N.A	N.A	NA.	N.A	N.A
Forced Labour / Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.
Reply: 1) We have structured training and education programs on harassment and code of conduct for all the employees at all levels
2) We have harassment policy in place to avoid such incidents
8. Do human rights requirements form part of your business agreements and contracts? **(Yes✓/ No)**
Reply: Yes, the same has been made a part of our agreements and contracts
9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	NIL
Forced/involuntary labour	NIL
Sexual harassment	NIL
Discrimination at workplace	NIL
Wages	NIL
Others – please specify	NIL



10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Reply: Not applicable

Leadership Indicators

- Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.- **No**
- Details of the scope and coverage of any Human rights due-diligence conducted- **N.A.**
- Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?- **Yes**
- Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NIL
Discrimination at workplace	NIL
Child Labour	NIL
Forced Labour/Involuntary Labour	NIL
Wages	NIL
Others – please specify	NIL

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Reply: Not applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Giga Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total electricity consumption (A)	8,99,706 G.J.	7,51,735 G.J.
Total fuel consumption (B)	19,14,579 G.J.	15,71,083 G.J.
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	28,14,285 G.J.	23,22,818 G.J.
Energy intensity per Crore rupees of turnover (Total energy consumption/ turnover in Crore rupees)	349.07	376.42
Energy intensity (optional)	8.83 GJ/Ton of Finished product	8.92 GJ/Ton of Finished product

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Reply: Yes, in 2021-22, such assessment is carried out by the Independent agency-BSI, India

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Reply: N.A.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	3,97,875	3,65,772
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others*	1,52,790	1,26,188
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	5,50,665	4,91,960
Total volume of water consumption (in kilolitres)	5,50,665	4,91,960
Water intensity per Crore rupee of turnover (Water consumed / turnover in Crore)	68.30	79.73
Water intensity (optional)	1.72 Ltr/Kg of output	1.87 Ltr/Kg of output

* Includes Rain water harvesting and Tertiary treated reverse osmosis (TTRO) water (Sewage treated)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Reply: Yes, pre-assessment of water stewardship has been done for all plant location of JK Tyre by 3rd party Chakra4 sustainability consultancy services for the FY 2020-21 and for FY 2021-22.

4. Has the entity implemented a mechanism for Zero Liquid Discharge (ZLD)? If yes, provide details of its coverage and implementation.

Reply: We, at JK Tyre have implemented Zero Effluent Discharge (ZED) according to Pollution Control Board guidelines of the states. Two of our plants which is Kankroli tyre plant (Rajasthan) and Chennai Tyre plant (Tamil Nadu) have implemented ZLD through the Multi effect evaporators technology (MEET) and ZLD is complied/ Certified by 3rd party by BSI for Chennai Tyre plant and the Certification for Kankroli tyre plant is under process.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
NOx	µg/M ³	Max up to 45.28	Max up to 53.43
SOx	µg/M ³	Max up to 15.54	Max up to 15.01
Particulate Matter (PM)	mg//NM ³	Max up to 94.6	Max up to 94.7
Persistent Organic Pollutants (POP)		N.A.	N.A.
Volatile Organic Compounds (VOC)	µg/M ³	Max up to 153	Max up to 155
Hazardous Air Pollutants (HAP)		N.A.	N.A.
Others – please Specify		N.A.	N.A.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Reply: Yes, Independent assessments have been carried out by external agency(s) plant wise details of which are below :

NOx, SOx, PM, VOC are tested by following external agencies:

Kankroli Tyre Plant - Apex enviro laboratory

Banmore Tyre Plant - Advanced Environmental Testing and Research Lab Pvt. Ltd.

Chennai Tyre Plant - Eco care engineering Pvt. Ltd.

Vikrant Tyre Plant - Ganesh Consultancy & Analytical service



6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Plant	Parameter	Unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
JKTIL (Excluding Cavendish)	Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1,56,036.80	1,43,342.12
	Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	93,055.85	74,603.94
	Total Scope 1 and Scope 2 emissions per Crore rupees of turnover	Metric tonnes of CO ₂ equivalent	2,49,092.64	2,17,946.06
	Production	Metric tonnes	3,18,733.63	2,62,273.38
	Total Scope 1 and Scope 2 emission intensity (optional)	eCO ₂ /Ton	0.7815 per ton of finished product	0.8310 per ton of finished product

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Reply: Data of FY 2020-21 and FY 2021-22 are verified by external party BSI - India as per ISO 14064:2018.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Reply: Each year JKTIL is investing on Energy conservation projects and we are able to reduce Green House Gas emission.

Some of the Energy Conservation Projects Implemented in FY 2021-22 include:

1. Energy Saving by GAS Heating on Dryer Zone HOT canes IPO Electrical Heating.
2. Power Saving by provision of VFD along with IE-3 Motor on various equipment.
3. Power Saving by Upgradation of Old & Inefficient AHUs by Energy Efficient fans and pumps.
4. Provision of VFD on Roof ventilation Fan and to Control Speed as per Seasonal Variation.
5. Provision of Isolation valves on Main Air Line to avoid Air Losses during idling time and thus save energy.
6. Power Saving by Provision of PCI Air Recovery from Large Sizes
7. Provision of VFD on with energy efficient Pumps on cooling tower.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	958.62	610.25
E-waste (B)	10.94	4.49
Bio-medical waste (C)	0.31	0.19
Construction and demolition waste (D)	0	0
Battery waste (E)	15.83	4.46
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	514.1	415.66
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	8,510.90	6,190
Total (A+B + C + D + E + F + G+ H)	10,010.7	7,224.60
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	101.07	86.27
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	101.07	86.27

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	10,010.7	7,224.6
Total	10,010.7	7,224.6

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Reply: All JK Tyre manufacturing units are certified for Zero Waste to Landfill in FY 2020-21 and the verification of Waste data by BSI India is done for FY 2021-22

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Reply: JK Tyre has already been certified by 3rd party on Zero waste to Landfill. This demonstrates our commitment to Environmental sustainability and being Green in sync with our Mission. Continuous Monitoring of waste generation at Plant locations is done and day to day corrections are continuously made to ensure reduction in waste generation. Cross Functional Teams including workers are trained on problem solving techniques to improve the employee involvement in awareness and reducing waste generation through Kaizen and other improvements done on continuous basis. Waste generated during the process at all the locations is aggregated and segregated at one location for proper disposal according to the guidelines issued by the State Pollution control boards (SPCBs)

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of Operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable as there are no operations near above-mentioned zones.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Environment Impact Assessment for J K Tyre & Industries Ltd., located at Jaykaygram, PO Tyre factory, Kankroli Rajsamand-313342.	Environmental Impact Notification S.O.1533 (E), Dt. 14 th September 2006 issued under Environment (Protection) Act 1986	Dec 24 th and 27 th , 2021	Yes	No	NA
Manufacturing of Vikrant Tyre, Truck Radial, OTR Plant	S.O.60 (E)	27 th Jan 1994	YES (AM ENVIRO ENGINEERS- Bengaluru)	NO	NA

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	None	NA	NA	NA

Reply: Yes, JK Tyre is fully compliant. As per the legal register of the respective plant locations of JK tyre, all statutory compliances are done as per Air/ Water/ Environment act and rules and the legal register is reviewed periodically.



Leadership Indicators

1. Provide break-up of the total energy consumed (in Giga Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	4,75,757 G.J.	4,17,013 G.J.
Total fuel consumption (B)	3,55,283 G.J.	1,54,827 G.J.
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C) *	8,31,040 G.J.	5,71,840 G.J.
From non-renewable sources		
Total electricity consumption (D)	4,23,949 G.J.	3,34,722 G.J.
Total fuel consumption (E)	15,59,295 G.J.	14,16,256 G.J.
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	19,83,244 G.J.	17,50,978 G.J.

* Total energy consumption from renewable sources is ~ 52% of our total energy consumed.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Reply: Yes, in 2021-22, such assessment is carried out by the Independent agency - BSI, India

2. Provide the following details related to water discharged:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others (horticulture)	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	2,31,754 KL	1,91,106 KL
Total water discharged (in kilolitres)	2,31,754 KL	1,91,106 KL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Reply: Yes, pre-assessment of water stewardship has been done for all plant location of JK Tyre by 3rd party Chakra4 sustainability consultancy services for the FY 2020-21 and for FY 2021-22.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area- Kankroli Tyre Plant (KTP)
(ii) Nature of operations- Manufacturing
(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	48,225	58,955
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others- Rainwater harvesting	7,425	3,714
Total volume of water withdrawal (in kilolitres)	55,650 KL	62,669 KL
Total volume of water consumption (in kilolitres)	55,650 KL	62,669 KL
Water intensity per crore rupees of turnover (Water consumed / turnover)	6.90	10.16
Water intensity (optional)	0.84 KL per ton of Finished product	1.04 KL per ton of Finished product
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others (horticulture)	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	73,539 KL	69,713 KL
Total water discharged (in kilolitres)	73,539 KL	69,713 KL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Reply: Yes, pre-assessment of water stewardship has been done for all plant location of JK Tyre by 3rd party Chakra4 sustainability consultancy services for the FY 2020-21 and for FY 2021-22.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Plant	Parameter	Unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
JKTIL (Excluding Cavendish)	Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	63,965.45	50,217.26
	Production	Metric tonnes	3,18,733.63	2,62,273.38
	Total Scope 3 emission intensity (optional)	Metric tonnes of CO ₂ equivalent	0.2007 eCo ₂ /ton of Finished product	0.1915 eCo ₂ /ton of Finished product

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Reply: Yes, independent assessment has been carried out by the party BSI for FY 2021-22.



5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Reply: N.A. (i.e. No Manufacturing unit of JKIL is located in/nearby ecologically sensitive areas. However, JK Tyre has given high priority around its green belt in conserving existing natural areas and promotes biodiversity in its factory premises.

- Around 25% of the total site area is allocated for greenery and to enhance biodiversity.
- More than 50 varieties of natural and adaptive varieties of trees, shrubs have been planted across the site that not only promotes local biodiversity but also consumes less water and does not require pesticides or constant maintenance.

Trees provide shade and contribute to microclimate thereby reducing the 'heat island' effect. They stabilize ground conditions, preventing soil erosion. They absorb groundwater and slow the movement of rainwater across the ground surface. More specifically, they absorb Carbon dioxide emissions from the air.

- Total of 8.17 Lakh trees are planted by JK Tyre across its 4 plant locations so far. A Tree plantation study is also conducted across all four locations of JK Tyre by 3rd party. Beyond fence, many Environment sensitive zones like water bodies, lakes have been desilted and maintained by JK tyre under our various CSR initiatives.

We also have a Biodiversity Protection policy focusing on minimizing the biodiversity risks in the business operations, encouraging relevant stakeholders to support better biodiversity management and establishing a system for monitoring and reporting of progressive steps taken towards the protection of biodiversity.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Initiative: To reduce the impact due to emissions	Details of the Initiative: Company has started the verification of GHG Emission as per ISO 14064 from FY 2013-14. The major contributor for the reduction of Scope 1 emission is Biomass. Company has started using biomass and in the last 2 years, the usage of biomass is increased by 275% and Company is continuously working on increasing the use of biomass. The major contributor for the reduction of Scope 2 emission is the usage of renewable energy. In FY 2021-22, total 52.9% of electrical power came from renewable sources.	

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.
Reply: We have developed Business continuity and disaster management plan for all locations individually which are periodically reviewed. These plans cover all elements of environment, safety and sustainability and list more than 30 scenarios such as bulk oil Leakage, carbon dust emissions, acid spillage, ESP, boiler failures etc .

The structure and contents of the on-site Emergency Plan (also sometimes referred as Disaster or Crisis Management Plan- CMP/ DMP) have been developed after taking in to consideration the regulatory guidelines, other applicable documents and good industry practices/principles formulated as a result of lessons learned in actual exigencies requiring extensive emergency response.

The objectives of Disaster Management Plan is :

- Rapid control and containment of hazardous situation.
- Minimizing the risk and impact of event / incident as well as on environment.
- Effective rehabilitation of the affected people potentially effected including emergency services and prevention of damage to property.

This manual covers the activities carried out at the factory site and identified potential hazards. It also covers the Emergency Response Procedures for handling emergencies at the factory site. This manual gives guidelines for four basic activities such as Mitigation, Preparedness, Response and Recovery in the identified emergency situations.

On-site Emergency Preparedness and Response Plan aims at the reduction of the consequences of major accidents on-site & off-site. As far as possible, to ensure that no person suffers an injury as a result of a fire/natural calamity/hazards associated with manufacturing activities at site where JK Tyres & Industries Limited. are carrying out its business activities. Each workplace in the factory is required to implement the on-site Emergency Plan.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Reply: Best possible sustainable practices are followed.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Reply: Not applicable

Principle 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

- a. Number of affiliations with trade and industry chambers/ associations : **5**
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Automotive Tyre manufacturer's association	National
3	PHD Chamber of Commerce and Industry	National
4	Center for Tire research (CenTire), USA	International
5	Indian Rubber Manufacturers Research Association (IRMRA)	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Competition Commission of India (CCI)	On 2 nd February 2022, the Competition Commission of India ("CCI") published an order dated 31 st August 2018, for alleged contravention of Section 3 of the Competition Act, 2002 against JK Tyre & Industries Ltd. ("Company") and certain other domestic tyre manufacturing companies and has imposed a penalty of ₹309.95 Crore on the Company.	The Company has filed an Appeal before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") against the said CCI Order dated 31 st August 2018. We strongly reiterate that there has been no wrongdoing on the part of JK Tyre & Industries Ltd. and want to reassure all the stakeholders that the Company has never indulged in or was part of any cartel or undertook any anti-competitive practices.

Leadership Indicators

1. Details of Public policy positions advocated by the entity :

Reply: JK Tyre's approach to achieving the Government, policy and community objectives focuses on engaging ecosystems at the national, regional and local levels.

JK tyre focuses on developing and maintaining partnerships with relevant government officials, business organizations like ASSOCHAM, CII, FICCI, PHD chamber of commerce and Industry, Tyre Industry associations like ATMA, Indian Rubber Manufacturers Research Association (IRMRA) and community organizations for the purpose of developing mutually-beneficial partnerships.

Some of the public policies advocated by JK tyre are:

1. Support proposed framework for End of the Life Tyre policy (ELT)
2. Support existing legislations on FAME norms/CAFE norms and Vehicle scrappage policy.
3. JK Tyre has been continually promoting road safety awareness for the past three decades, with focus on tyre safety . During the year, the Company conducted various educational programs for end users including drivers/ mechanics/students and police personnel at different foras.
4. Safe driving awareness programs have been conducted for motorsport participants including a special drive in the North-eastern states.

**Principle 8 Businesses should promote inclusive growth and equitable development****Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA notification No.	Date of Notification	Whether conducted by Independent external agency (Yes/No)	Results communicated in Public domain (Yes/No)	Relevant Web link
Not applicable as no such assessment has been done. However, as a responsible corporate we endeavour to assess the impact of our CSR initiatives by engaging with Local communities					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
	Not applicable	N.A.	N.A.	N.A.	N.A.	N.A.

3. Describe the mechanisms to receive and redress grievances of the community.

Reply: For effective grievance redressal and subsequent improvement in CSR initiatives, there is a robust community feedback mechanism. The field level CSR teams follow methodical approach through:

- Need assessment survey
- Design and plan the projects based on the need of local communities
- Implement the project to benefit people and
- Monitor and review the project.

The periodic progress reports of CSR are shared with the top management. Society satisfaction and feedback surveys are also conducted regularly to understand the ground reality, short term and long-term impacts of social interventions on the community. Based on the findings of these studies further improvement in CSR interventions are planned. Individual case studies are also recorded by the team to explore how a CSR project has been instrumental in increasing their overall income/ inculcated health seeking behavior/ brought decline in IMR & MMR/ water conservation for better agriculture etc.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	JK Tyre has PAN India presence in strategic locations across the country in which we ensure to source as much input material as we can source locally wherever feasible. During FY2021-22 and FY2020-21, the company has procured sizeable material from Local and Small suppliers like general consumables and equipment spares etc.	
Sourced directly from within the district and Neighboring districts		

Leadership indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
NOT APPLICABLE	NOT APPLICABLE

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
	NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes/No✓)

Reply: No, we don't have any preferential procurement policy which gives preference to any supplier. Procurement allocation is purely based on parameters like quality, cost and delivery. The idea is to give an equal opportunity to all suppliers.

However, we handhold and develop farmers and suppliers from the MSME categories through awareness campaigns, training programmes and skill development drives.

- (b) From which marginalized /vulnerable groups do you procure?

Reply: Farmers (through intermediaries) and MSMEs

- (c) What percentage of total procurement (by value) does it constitute?

Reply: ~25%

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual property based on traditional knowledge	Owned/ Acquired (Yes/no)	Benefit shared (Yes/no)	Basis of calculating benefit share
	Not applicable	N.A.	N.A.	N.A.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not applicable	N.A.	N.A.

6. Details of beneficiaries of CSR Projects for the Financial year:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Health based CSR Project	28,673	More than 50%
2	Livelihood Based CSR Projects	26,609	More than 50%
3	Education based CSR Projects	14,753	More than 50%
4	Water/ Natural Resource Management CSR Projects	20,702	More than 50%
	TOTAL	90,737	

Principle 9 Businesses should engage with and provide value to their consumers in a responsible manner**Essential Indicators**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Reply: We have a dedicated team which focuses on catering to the various requirements of our customers for a seamless experience.



2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	All necessary information as per regulatory requirements are disclosed on all our products.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2021-22 (Current Financial year)		Remarks	FY 2020-21 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL	NIL	NIL	NIL	NIL	NIL
Advertising	NIL	NIL	NIL	NIL	NIL	NIL
Cyber-security	NIL	NIL	NIL	NIL	NIL	NIL
Delivery of essential services	NIL	NIL	NIL	NIL	NIL	NIL
Restrictive Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Unfair Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Other	NIL	NIL	NIL	NIL	NIL	NIL

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NIL	-
Forced recalls	NIL	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No). If available, provide a web-link of the policy.

Reply: Yes, we are ISMS – ISO 27001 certified since 2016 and a complete ISMS manual is available but Web link is not there.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Reply: We keep on upgrading to the latest provisions as per ISMS standards. No instance for complaints regarding cyber security and data privacy of customers have occurred.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Reply: Our website - www.jktyre.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Reply: Tyre care and usage information is regularly and periodically shared with end users and channel partners through various interactive programmes throughout the year.

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

Reply: Our website - www.jktyre.com

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Reply- Product Information: Yes, the Company's products conform to the Bureau of Indian Standards (BIS) specifications, as well as the standards of countries where our products are exported as may be required. The Company also adheres to various stringent world class processes and quality standards.

The Company displays all the requisite product information on Tread and on the sidewall of the Tyres as per statutory requirements under applicable laws such as Tyre size designation, ply rating/load index, speed symbol, date of production and tread wear indicator etc. Over and above the mandatory requirements, the Company also displays additional information related to tyre usage and maintenance like Visual Alignment Indicator (VAI), Uniform Tyre quality grading (UTQG) safety warning for Tyre fitment and service operating conditions etc. JK Tyre has also introduced product like SMART TYRE which notify vehicle users about tyre temperature /pressure thus enabling greater safety and superior tyre life. This product enables higher vehicle fuel efficiency, and is environment friendly by reducing vehicle emissions.

The Company has enhanced and sustained customer interaction and education in digital/ virtual mode as well as physical mode. Education has been imparted on Tyre selection, care and maintenance as per customer application and usage needs, especially at the grass root level with vehicle operators, tyre fitters, mechanics, mine operators school bus drivers, defence personnel to name a few. Various customer care initiatives have been taken in partnership with OEMs for consumers and OEM dealership staff. We also share road safety and tyre care information on our digital and social media platforms for the benefit of customers at large and at various public fora.

Customer Satisfaction survey: At JK Tyre, customer centricity drives customer satisfaction. The pandemic had led to a shift in customer behavior and transformed the path to purchase. While there is no end to consumer delight, we have always leveraged opportunities that came our way, to redefine customer centricity and improvise our value proposition.

Company tracks consumer satisfaction and behavior very closely. Company has undertaken various customer surveys, both in-house and through 3rd party, including Customer Satisfaction Study, which was redrawn in line with the Company's journey towards Total Quality Management (TQM). Interactions with customers at various forums also acts as a source of feedback.

In addition to the above in-house surveys (using online platform), contact centers are extensively used for capturing real time feedback and enhance satisfaction, both amongst channel partners and truck fleets operators.

Voice of consumer is used for formulating company's strategic business plan, develop new Products and services and improve operational / processes efficiency, thus creating enhanced customer value propositions

5. Provide the following information relating to data breaches:

- Number of instances of data breaches along with impact – **NIL**
- Percentage of data breaches involving personally identifiable information of customers- **NIL**



Independent Auditor's Report

To the Members of
JK Tyre & Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **JK Tyre & Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Key Audit Matter

Recognition of Revenue

The Company recognizes revenue at the point in time when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. In determining the transaction price for the sale, the Company considers the effects of variable consideration and consideration receivable from the customer.

For the year ended 31st March, 2022, the Company's Statement of Profit & Loss included Sales of ₹7918.44 Crores. Some terms of sales arrangements are governed by Incoterms, including the timing of transfer of control. The nature of rebates, discounts and sales returns, if any, involve judgment in determining sales revenues and revenue cut-off. The risk is, therefore, that revenue may not be recognized in the correct period or that revenue and associated profit is misstated.

Refer to Accounting policies Note No. 1.3 (xiii) and Note No. 24 of the standalone Financial Statements.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Auditor's Response

Principal Audit Procedures

- We performed process walkthrough to understand the adequacy and the design of the revenue cycle. We tested internal controls in the revenue and trade receivables over the accuracy and timing of revenue accounted in the financial statements.
- Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Company.
- We reviewed the revenue recognition policy applied by the Company to ensure its compliance with Ind-AS 115 requirements.
- We performed a detailed testing on transactions, ensuring revenues were recognized in the correct accounting period. We also tested journal entries recognized in revenue focusing on unusual or irregular transactions.
- We validated the appropriateness and completeness of the related disclosures in Note No. 24 of the Standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management is 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 Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial statements 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 standalone financial statements.

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 standalone financial statements, 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 financial controls 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 controls system 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 management.
- Conclude on the appropriateness of management's 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 standalone financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020("the Order"), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under

Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statement.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as on 31st March, 2022 in its financial position in its standalone financial statements. Refer Note No. 32, 33 & 38 to the standalone financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise,

that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the

representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. As stated in Note No. 52 to the standalone financial statements
 - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
 - (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For **S S KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm's Registration Number: 000756N

HARISH GUPTA
Partner
Membership Number: 098336

New Delhi, the 20th May, 2022



Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JK Tyre & Industries Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment have been physically verified by the management according to the program of periodical verification in phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

iii. (a) According to the information and explanations given to us and based on our examination of records, the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to guarantee and security are as follows:

Particulars	₹ in Crores			
	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted / provided during the year				
(i) Subsidiaries	-	39.04	-	-
(ii) Joint Ventures	-	-	-	-
(iii) Associates	-	-	-	-
(iv) Others	-	-	-	-
Balance outstanding as at balance sheet date in respect of above cases				
(i) Subsidiaries	-	512.46	-	-
(ii) Joint Ventures	-	-	-	-
(iii) Associates	-	-	-	-
(iv) Others	-	-	-	-

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) Based on the information and explanation provided to us, no proceedings have been initiated during the year or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) We have been explained by the management that the inventory (except stock lying with the third parties and in transit, for which confirmations have been received / material received) has been physically verified at reasonable intervals and the procedures of physical verification of inventory followed by the management are reasonable in relation to the size of the Company and nature of its business. According to information and explanations given to us, the material discrepancies, if any, noticed on such physical verification of inventory as compared to book records were properly dealt within the books of accounts. Discrepancies of 10% or more in the aggregate for each class of inventory were not noticed.

(b) According to the information and explanations given to us, the company has been sanctioned working capital limits against security of current assets in excess of five crore rupees, in aggregate, from banks or financial institutions. Based upon the audit procedure performed by us, the quarterly returns or statements filed by the company with such banks or financial institutions are materially in agreement with the books of account of the Company.

(b) In our opinion, the investments made, Guarantee Provided and security given by the company during the year are prima facie not prejudicial to the Company's interest.

(c) The company has not granted any loan and advances in the nature of loans during the year. Hence, reporting under clause 3(iii)(c), (d), (e) & (f) of the Order is not applicable.

iv. According to the information, explanations and representations given to us and based upon audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of sections 185 and 186 of the Act.

v. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed thereunder with regard to deposits accepted from the public. We have been informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other Tribunal in this regard.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2022 on account of disputes are given below:

Name of the Statute	Nature of dues	Forum where dispute is pending	Period to which the Amount Relates	Amount (₹ in Crores)
Sales Tax Act	Sales Tax	Additional Commissioner (Appeals)	2010-2014	0.10
		Deputy Commissioner / Deputy Commissioner (Appeals) / Sr. Joint Commissioner	2011-2017	0.80
		Revision Board	2005-2006	0.15
		Joint Commissioner	2011-2014	0.08
		Tribunal	2005-2009	0.47
Central Excise Act	Excise Duty	Commissioner-GST and Custom	1995-2000	9.63
		Principal Commissioner-GST and Excise	2016 -2017	13.40
		CESTAT	1981-2017	4.35
Custom Act	Custom Duty	High Court	2013-2014	3.13
		Directorate of Revenue Intelligence	2019-2020	60.70
Finance Act	Service Tax	Assistant Commissioner	2006-2017	1.04
		Additional / Joint Commissioner-Audit	2018-2019	0.13
		CESTAT	2005-2006	0.04
		Directorate General of GST Tax Intelligence	2017-2018	0.24
		Assistant / Deputy Commissioner	2017-2018, 2020-2021	0.13
		Jt. Commissioner GST	2020-2021	0.32
Madhya Pradesh Entry Tax Act, 1976	Entry Tax	Commissioner	2008-2011	1.09
Labour Law	Employee's State Insurance of Corporation	ESIC Court	2011-2013	1.16

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by Central Government for the maintenance of the cost records under section 148(1) of the Act in respect to the Company's products to which said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident fund, employees' state insurance, income tax, custom duty, cess and any other material statutory dues with the appropriate authorities to the extent applicable and further there were no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March, 2022.



- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanation given to us and based on our examination of records, the Company has not defaulted in repayment of loans or other borrowings or in the payment of Interest thereon to any lender and hence.
- (b) According to the information and explanations given to us and based on our examination of records, the company has not been declared wilful defaulter by any bank or financial institution or other lender government or any government authority.
- (c) According to the information and explanation given to us and based on our examination of records, the company has utilized the term loan for the purpose it was taken.
- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanation given to us and based on our examination of records, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanation given to us and based on our examination of records, the company has not raised loans during the year on the pledge of securities held in its Subsidiaries, joint ventures or associate companies.
- x. (a) According to the information and explanation given to us and based on our examination of records, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanation given to us and based on our examination of records, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to the information and explanation given to us and based on our examination of records, no material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of audit report.
- (c) According to the information and explanation given to us and based on our examination of records, no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. According to the information and explanation given to us and based on our examination of records, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanation given to us and based on our examination of records, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, therefore provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) According to the information and explanation given to us and based on our examination of records, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a) of the Order is not applicable.
- (b) According to the information and explanation given to us and based on our examination of records, the company has not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi) (b) of the Order is not applicable.
- (c) According to the information and explanation given to us and based on our examination of records, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi) (b) of the Order is not applicable.
- (d) According to the information and explanation given to us and based on our examination of records, there are two core investment companies within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) According to the information and explanation given to us and based on our examination of records, in respect of ongoing projects, the company has utilised the amount of Corporate Social Responsibility (CSR) during the year, hence reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For **S S KOTHARI MEHTA & COMPANY**

Chartered Accountants

Firm's Registration Number: 000756N

HARISH GUPTA

Partner

Membership Number: 098336

New Delhi, the 20th May, 2022



Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JK Tyre & Industries Limited of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **JK TYRE & INDUSTRIES LIMITED** ("the Company") as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to financial statements of the Company.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material

misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2022,

based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S S KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm's Registration Number: 000756N

HARISH GUPTA
Partner
Membership Number: 098336

New Delhi, the 20th May, 2022



Balance Sheet

 as at 31st March, 2022

₹ in Crores (10 Million)			
	Note No.	As at 31.03.2022	As at 31.03.2021
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	2	3340.89	3329.74
(b) Capital Work-in-progress		73.33	64.12
(c) Investment Property	3	5.63	5.73
(d) Other Intangible Assets	4	2.68	1.93
(e) Intangible Assets under development		5.67	4.65
(f) Financial Assets			
- Investments	5	791.11	733.10
- Other Financial Assets	6	121.20	133.41
(g) Other Non-current Assets	7	16.79	15.10
		4357.30	4287.78
(2) Current Assets			
(a) Inventories	8	1532.84	1194.58
(b) Financial Assets			
- Trade Receivables	9	1667.38	1367.28
- Cash and Cash Equivalents	10	53.16	41.11
- Other Bank Balances	11	23.11	21.86
- Other Financial Assets	12	190.25	127.18
(c) Current Tax Assets (Net)	13	26.98	15.69
(d) Other Current Assets	14	293.80	200.73
		3787.52	2968.43
		8144.82	7256.21
TOTAL ASSETS			
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	SOCE - I	49.25	49.25
(b) Other Equity	SOCE - II	2476.85	2349.14
		2526.10	2398.39
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
- Borrowings	15	972.06	1188.48
- Lease Liabilities		58.70	88.52
- Other Financial Liabilities	16	506.82	479.93
(b) Provisions	17	30.80	28.88
(c) Deferred Tax Liabilities (Net)	18	342.76	311.43
		1911.14	2097.24
(2) Current Liabilities			
(a) Financial Liabilities			
- Borrowings	19	1848.87	1145.59
- Lease Liabilities		37.62	48.83
- Trade Payables	20		
Micro & Small Enterprises		33.60	28.38
Others		1346.92	1167.77
- Other Financial Liabilities	21	276.31	223.07
(b) Other Current Liabilities	22	158.00	140.04
(c) Provisions	23	6.26	6.90
		3707.58	2760.58
		8144.82	7256.21
TOTAL EQUITY AND LIABILITIES			
Company Overview, Basis of preparation and Significant Accounting Policies.	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S S KOTHARI MEHTA & COMPANY

Chartered Accountants
Firm Registration No. - 000756N

HARISH GUPTA
Partner

Membership No. - 098336
New Delhi, the 20th May, 2022

Dr. Raghupati Singhania
Anshuman Singhania

Chairman & Managing Director
Managing Director

Bharat Hari Singhania
Smt. Sunanda Singhania
Shreekant Somany
Kalpataru Tripathy
Bakul Jain
Smt. Meera Shankar
Arun K. Bajoria

Directors

SANJEEV AGGARWAL
Chief Financial Officer

P. K. RUSTAGI
Company Secretary

Statement of Profit and Loss

 for the year ended 31st March, 2022

₹ in Crores (10 Million)			
	Note No.	2021-2022	2020-2021
I. Revenue from Operations	24	8032.06	6134.52
II. Other Income	25	30.20	35.60
III. Total Income (I+II)		8062.26	6170.12
IV. Expenses			
Cost of Materials Consumed		5099.09	3255.87
Purchases of Stock-in-trade		612.17	451.65
(Increase) / Decrease in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	26	(170.27)	84.52
Employee Benefits Expense	27	607.40	547.99
Finance Costs	28	229.61	266.27
Depreciation and Amortization Expense		240.74	245.99
Other Expenses	29	1183.17	943.48
Total Expenses (IV)		7801.91	5795.77
V. Profit before Interest, Depreciation & Tax (PBITD)		730.70	886.61
VI. Profit / (Loss) before Exceptional Items and Tax (III-IV)		260.35	374.35
VII. Exceptional Items	44	3.95	21.21
VIII. Profit / (Loss) before Tax (VI+VII)		264.30	395.56
IX. Tax Expense			
(1) Current Tax		96.41	128.00
(2) Deferred Tax		(15.15)	11.11
X. Profit / (Loss) for the Year (VIII-IX)		183.04	256.45
XI. Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss :			
- Re-measurement Losses on Defined Benefit Plans		(9.34)	(5.10)
- Income Tax relating to Items that will not be reclassified to Profit or Loss		3.26	1.78
Total Other Comprehensive Income		(6.08)	(3.32)
XII. Total Comprehensive Income for the Year (X+XI)		176.96	253.13
XIII. Earnings per Equity Share of ₹2 each			
Basic / Diluted (₹)	46	7.43	10.42

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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Smt. Meera Shankar
Arun K. Bajoria

Directors



Statement of Changes in Equity (SOCE) for the year ended 31st March, 2022

I. Equity Share Capital

(1) Current reporting period

₹ in Crores (10 Million)

As at 01.04.2021	Change due to prior period errors	Restated Balance as at 01.04.2021	Change during the Current Year	As at 31.03.2022
49.25	-	49.25	-	49.25

(2) Previous reporting period

As at 01.04.2020	Change due to prior period errors	Restated Balance as at 01.04.2020	Change during the Previous Year	As at 31.3.2021
49.25	-	49.25	-	49.25

₹ in Crores (10 Million)

	As at 31.03.2022	As at 31.03.2021
a. Authorised:		
Equity Shares - 62,50,00,000 of ₹2 each	125.00	125.00
Preference Shares - 55,00,00,000 of ₹100 each	55.00	55.00
	180.00	180.00
b. Issued, Subscribed and fully paid up:		
Equity Shares - 24,62,30,880 of ₹2 each		
Balance at the beginning of the year	49.25	49.25
Change during the year	-	-
Balance at the end of the year	49.25	49.25
c. Reconciliation of the number of shares outstanding:		
Shares outstanding as at the beginning of the year	24,62,30,880	24,62,30,880
Change during the year	-	-
Shares outstanding as at the end of the year	24,62,30,880	24,62,30,880

Name of Shareholder	No. of shares held	No. of shares held
d. Details of each shareholder holding more than 5% shares:		
Bengal & Assam Company Limited	13,00,03,250	13,00,03,250
e. Details of shares held by the Holding Company (including NIL shares held by its Subsidiaries and Associates):		
Bengal & Assam Company Limited	13,00,03,250	13,00,03,250

f. Rights and preferences attached to Equity Shares:

- The Company has only one class of Equity Shares having face value of ₹2 each and each shareholder is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend.

g. Shareholding of Promoters:

Shares held by promoters at the end of 31.03.2022

S. No.	Promoter Name*	No. of Shares	% of total shares	% Change during FY 2021-2022
1	Bengal & Assam Company Ltd.	13,00,03,250	52.80	-
2	Shri Bharat Hari Singhania	10,94,723	0.44	-
3	Dr. Raghupati Singhania	16,43,990	0.67	-
	Total *	13,27,41,963	53.91	-

* In addition, as on 31st March 2022 and 31st March 2021, there are 17 entities holding 57,83,092 Equity Shares (2.35%) and 57,08,092 Equity Shares (2.32%), respectively, who are constituents of the Promoter Group as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Statement of Changes in Equity (SOCE) for the year ended 31st March, 2022

S. No.	Promoter Name*	No. of Shares	% of total shares	% Change during FY 2020-2021
1	Bengal & Assam Company Ltd.	13,00,03,250	52.80	(0.47)
2	Shri Bharat Hari Singhania	10,94,723	0.44	0.07
3	Dr. Raghupati Singhania	16,43,990	0.67	0.08
	Total **	13,27,41,963	53.91	(0.32)

** In addition, as on 31st March 2021 and 31st March 2020, there are 17 entities holding 57,08,092 Equity Shares (2.32%) and 49,09,490 Equity Shares (1.99%), respectively, who are constituents of the Promoter Group as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

II. Other Equity

(1) Current reporting period

₹ in Crores (10 Million)

Particulars	Reserves & Surplus				
	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Total Other Equity
As at 1st April, 2021	456.70	7.00	903.46	1033.29	2349.14
Profit for the year				183.04	183.04
Other Comprehensive Income (Net of Taxes)				(6.08)	(6.08)
Cash Dividend				(49.25)	(49.25)
As at 31st March, 2022	456.70	7.00	903.46	1167.08	2476.85

(2) Previous reporting period

₹ in Crores (10 Million)

Particulars	Reserves & Surplus				
	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Total Other Equity
As at 1st April, 2020	456.70	7.00	903.46	794.08	2113.25
Profit for the year				256.45	256.45
Other Comprehensive Income (Net of Taxes)				(3.32)	(3.32)
Cash Dividend				(17.24)	(17.24)
As at 31st March, 2021	456.70	7.00	903.46	1033.29	2349.14

* Represents Re-measurement Losses on Defined Benefit Plans.

Component of equity

Securities Premium

Capital Redemption Reserve

General Reserve

As per our report of even date

For S S KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm Registration No. - 000756N

HARISH GUPTA
Partner
Membership No. - 098336
New Delhi, the 20th May, 2022

Nature and Purpose

Represents amounts received in excess of face value on issue of equity shares which may be utilised for purposes specified u/s 52(2) of the Companies Act, 2013.

Represents the statutory reserve created at the time of redemption of Preference Share Capital, which can be applied for issuing fully paid-up bonus shares.

Represents accumulated profits set apart by way of transfer from current year Profits or / and Surplus in P/L Statement comprised in Retained Earnings for 'other than specified purposes'.

Dr. Raghupati Singhania
Anshuman Singhania
Chairman & Managing Director
Managing Director

Bharat Hari Singhania
Smt. Sunanda Singhania
Shreekanth Somany
Kalpataru Tripathy
Bakul Jain
Smt. Meera Shankar
Arun K. Bajoria
Directors

P. K. RUSTAGI
Company Secretary



Notes to the standalone financial statements

Note - 1 Company Overview, Basis of Preparation and Significant Accounting Policies

1.1 The Company overview:

JK Tyre & Industries Limited (JKTIL) is a public limited company incorporated and domiciled in India and its shares are publicly traded on the National Stock Exchange ('NSE') and the Bombay Stock Exchange ('BSE') in India. The registered office of the company is situated at Jaykaygram, PO - Tyre Factory, Kankroli - 313342 Rajasthan, India.

JKTIL develops, manufactures, markets and distributes automotive Tyres, Tubes, Flaps and Retreads. The company sells its Tyres to vehicle manufacturers for fitment in original equipment and in replacement markets worldwide. The company has six manufacturing plants located in Rajasthan, Madhya Pradesh, Tamil Nadu and three plants in Karnataka.

These financial statements were approved and adopted by board of directors of the Company in their meeting held on 20th May, 2022.

1.2 Basis of preparation and measurement of financial statements:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time and other relevant provisions of the Companies Act, 2013. All accounting policies and applicable Ind AS have been applied consistently for all periods presented.

The financial statements have been prepared under historical cost convention on accrual basis, except for the items that have been measured at fair value as required by relevant Ind AS. The financial statements correspond to the classification provisions contained in Ind AS-1 (Presentation of Financial Statements).

The preparation of these financial statements requires management judgements, estimates and assumptions that affect the application of accounting policies, the accounting disclosures made and the reported amounts of assets, liabilities, income, and expenses. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are made in the period, in which, the estimates are revised and in any future periods, effected pursuant to such revision.

1.3 Significant accounting policies:

(i) Property, plant and equipment:

- a) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenses directly

attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Expenditure during construction / erection period is included under capital work-in-progress and is allocated to the respective property, plant and equipment on completion of construction / erection.

- b) Depreciation on property, plant and equipment (including Continuous Process Plants considered on technical evaluation) has been provided using Straight line method over their useful lives and in the manner prescribed under Schedule II of the Companies Act, 2013. However, in respect of certain property, plant and equipment, depreciation is provided as per their useful lives as assessed by the management supported by technical advice ranging from 15 to 35 years for plant and machinery and 15 to 70 years for buildings. Accelerated depreciation in respect of a production accessory is provided over 6 years.

The carrying amount is eliminated from the financial statements, upon sale and disposition of the assets and the resultant gains or losses are recognised in the statement of profit and loss.

(ii) Investment property:

Investment properties are measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on Investment property has been provided using straight line method over their useful lives and in the manner prescribed under Schedule II of the Companies Act, 2013.

The carrying amount is eliminated from the financial statements, upon sale, disposition and withdrawal from permanent use of the assets and when no future economic benefits are expected from its disposal. The resultant gains or losses are recognised in the Statement of Profit and Loss.

(iii) Intangible assets:

Intangible Assets are recognised, if the future economic benefits attributable to the assets are expected to flow to the company and cost of the asset can be measured reliably. The same are amortised over the expected duration of benefits using straight line method. Such intangible assets are measured at cost less any accumulated amortization and impairment losses, if any.

Revenue Expenditure on Research and Development is charged to Statement of Profit and Loss and Capital Expenditure is added to Property, plant and equipment.

Expenditure incurred on intangible asset which are under development is included under Intangible Assets under Development.

The carrying amount is eliminated from the financial statements, upon sale, disposition and withdrawal from permanent use of the assets and when no future economic benefits are expected from its disposal. The resultant gains or losses are recognised in the Statement of Profit and Loss.

(iv) Lease:

- a) The Company, as a lessee, at the inception of contract, assesses whether the contract is a lease or not. If yes, the contract conveys in favour of the Company, the right to control the use of an identified asset for a period of time in exchange for consideration.

The right-of-use assets are initially recognized at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. In the Balance Sheet, Right-of-use Asset are presented under respective items of Property, Plant and Equipment or Investment Property, as the case may be. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the Lessee. In addition, the carrying amount of lease liabilities and right-of-use assets are re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

- b) Depreciation on Right-of-use Asset has been provided using Straight line method over their useful lives or lease period, whichever is lower. Interest Expense on Lease Liabilities are provided using discount rate used to determine Lease Liabilities. Depreciation and Interest expenses are recognised in the Statement of Profit and Loss.
- c) For short-term leases and leases for which, the underlying asset value is low, right-of-use assets and lease liabilities are not recognised. The lease payments associated with these leases are recognised as expense over the lease term.

- d) The Company, as a lessor, recognises lease payments from operating leases as income on straight-line basis over the lease term. The Company has recognised costs, including depreciation, incurred in earning the lease income as an expense.

(v) Foreign currency transactions and translation:

The functional currency of the company is Indian rupee (₹). Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies as at the Balance Sheet date are translated at exchange rate prevailing at the year end. Exchange differences arising on actual payments / realisations and year end translations including on forward contracts are dealt with in Profit and Loss Statement. Non-Monetary Foreign Currency items are stated at cost.

(vi) Inventories:

Inventories are valued at lower of cost and net realisable value. However, materials and other supplies held for use in production of inventories are not written down below cost, if the finished goods are expected to be sold at or above cost. The cost is computed on weighted average basis. Finished Goods, Traded Goods and Process Stock include cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Slow-moving and obsolete items based upon technical evaluation are provided for.

(vii) Borrowing cost:

Borrowing Cost is charged to Statement of Profit and Loss except meant for acquisition of qualifying assets, which is capitalised, using the effective interest method till the date of commercial use.

(viii) Employee benefit:

Employee benefits include wages & salaries, provident fund, superannuation fund, employee state insurance scheme, gratuity fund and compensated absences, etc.

(a) Defined-contribution plans

Contributions to the employees' regional provident fund, superannuation fund, Employees' Pension Scheme and Employees' State Insurance are recognised as defined contribution plan and charged as expenses during the period in which the employees perform the services.



Notes to the standalone financial statements

(b) Defined-benefit plans

Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit plan and determined on actuarial valuation using the Projected Unit Credit Method at the balance sheet date. Actuarial Gains or Losses through re-measurement of the net obligation of a defined benefit liability or asset is recognised in Other Comprehensive Income. Such re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

The Provident Fund Contribution other than contribution to Employees' Regional Provident Fund, is made to trust administered by the trustees. The interest rate to the members of the trust shall not be lower than the statutory rate declared by the Central Government under Employees' Provident Fund and Miscellaneous Provision Act, 1952. The Employer shall make good deficiency, if any.

(c) Short term employee benefits

Short term benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

(ix) Income tax:

Income tax is comprised of current and deferred tax. Income tax expense is recognised in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in other comprehensive income.

(a) Current tax: Current Tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of Income Tax Act, 1961.

(b) Deferred tax: Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent, it is probable that taxable income will be available against which the same can be realised. Deferred tax assets are reviewed at the end of each subsequent reporting period.

(c) Minimum Alternate Tax (MAT) Credit: MAT credit is recognized when there is convincing evidence that the Company will pay normal income tax during the specified period. It is reviewed at the end of each subsequent reporting period.

(x) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period after taking into account the risks and uncertainties surrounding the obligation.

Contingent Liabilities and Assets:

Contingent liabilities are disclosed after evaluation of facts, uncertainties and possibility of reimbursement. Contingent liabilities are not recognised but are disclosed in the notes.

Contingent assets are not recognised in financial statements but are disclosed, since the former treatment may result in the recognition of income that may or may not be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

(xi) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Financial assets include cash and cash equivalents, trade and other receivables, investments in securities and other eligible current and non-current assets.

At initial recognition, all financial assets are measured at fair value. Such financial assets are subsequently classified under one of the following three categories according to the purpose for which they are held. The classification is reviewed at the end of each reporting period.

- Financial assets at amortised cost: At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR

Notes to the standalone financial statements

amortisation is included as interest income in the profit or loss on time proportionate basis. The losses arising from impairment are recognised in the profit or loss.

- Financial assets at fair value through other comprehensive income: At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in Other Comprehensive Income (OCI). Interest income calculated using the effective interest rate (EIR) method on time proportionate basis, impairment loss or gain and foreign exchange loss or gain are recognised in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.
- Financial assets at fair value through profit or loss: At the date of initial recognition, financial assets are held for trading, designated financial assets to be valued through profit or loss or which are measured neither at Amortised Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in the Statement of Profit and Loss. Dividend income on equity shares is recognised when the right to receive payment is established, which becomes certain after shareholders' approval. Interest and Dividend Income as well as fair value changes are disclosed separately in the Statement of Profit & Loss.

Investment in Equity shares of subsidiaries and associates are valued at cost.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. Upon derecognition the difference between the carrying amount of a financial asset derecognised and the sum of the consideration received and

receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss.

The company assesses impairment based on the expected credit losses (ECL) model to all its financial assets measured at amortised cost. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that entity expects to receive (i.e. all cash shortfalls) discounted at original effective interest rate. Impairment loss allowance (or reversal) for the period is recognised in the Statement of Profit and Loss.

(b) Financial liabilities

Financial liabilities include long-term and short-term loans and borrowings, trade and other payables and other eligible current and non-current liabilities.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and other payables, net of directly attributable transaction costs. After initial recognition, financial liabilities are classified under one of the following two categories:

- Financial liabilities at amortised cost: After initial recognition, such financial liabilities are subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial liability. The EIR amortisation is included in finance expense in the Statement of Profit or Loss.
- Financial liabilities at fair value through profit or loss: which are designated as such on initial recognition, or which are held for trading. Fair value gains / losses attributable to changes in own credit risk is recognised in OCI. These gains / loss are not subsequently transferred to Statement of Profit and Loss. All other changes in fair value of such liabilities are recognised in the Statement of Profit and Loss.

The Company derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expired. The difference between the



Notes to the standalone financial statements

carrying amount of a financial liability derecognised and the sum of consideration paid and payable is recognised in Statement of Profit and Loss as other income or finance costs / other expenses.

(xii) Derivative financial instruments:

Derivative instruments such as forward currency contracts, interest rate swaps and option contracts are used to hedge foreign currency risks and interest rate risk. Such derivatives are initially recognised at their fair values on the date on which a derivative contract is entered into and are subsequently re-measured at fair value on each reporting date. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(xiii) Revenue:

Revenue is recognised upon transfer of control of promised goods or services to customers at transaction price (net of taxes and duties), arrived at by determining the fair value of the consideration received or receivable after adjusting returns, allowances, trade discounts, volume discounts etc. in exchange of goods or services.

For applying above principle, the Company adopts five step model, which are: a) Identify the contract(s) with customer(s); b) Identify the performance obligations under the contract(s); c) Determine the transaction price; d) Allocate the transaction price to the performance obligations in the contract(s); e) recognise revenue, when or as the entity satisfies a performance obligation.

Contract Liabilities are recognised when there is an entity's obligation to transfer goods or services to a customer for which, the entity has received consideration from the customer. Revenue in excess of invoicing are classified as contract assets.

Sale of Goods:

Revenue from the sale of goods is recognised at the point in time, when control is transferred to the customer.

Interest Income:

Interest income is recognized on time proportion basis using the effective interest method.

Dividend income:

Dividend income is recognized when the right to receive payment is established, which becomes certain after shareholders' approval.

(xiv) Grants:

Grants and subsidies from the Government are recognised when there is reasonable assurance that the grant / subsidy will be received and all attaching conditions will be complied with. Revenue Grants are recognised in the Statement of Profit and Loss. Capital Grants relating to specific assets are recognised in the Balance Sheet by deducting the grant from carrying amount of the asset and depreciation is charged on reduced carrying value of asset.

Export incentives are recognised in the Statement of Profit and Loss.

(xv) Impairment:

The carrying amounts of Property, plant and equipment, Intangible assets, Investment property and Investments are reviewed at each Balance Sheet date to assess impairment if any, based on internal / external factors. An asset is treated as impaired, when the carrying cost of asset exceeds its recoverable value, being higher of value in use and net selling price. An impairment loss is recognised as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed, if there has been an improvement in recoverable amount.

(xvi) Earnings per share (EPS):

Basic earnings per share is calculated by dividing the profit or loss for the period attributable to the equity holders of the company by the weighted average number of ordinary shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xvii) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and at bank, Cheques on hand and Remittances in transit for the purpose of meeting short-term cash commitments.

Notes to the standalone financial statements

Note - 2 Property, Plant and Equipment

₹ in Crores (10 Million)

Particulars	Gross Value				Depreciation / Amortisation				Net Value	
	As at 31.03.2021	Additions / Adjustments ^A	Sales / Adjustments	As at 31.03.2022	Upto 31.03.2021	For the year	Sales / Adjustments	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
Land:										
- Freehold	66.68	-	-	66.68	-	-	-	-	66.68	66.68
	(59.85)	(6.83)	-	(66.68)	-	-	-	-	(66.68)	(59.85)
- Leasehold-Right of Use ⁵	10.96	-	-	10.96	2.52	0.12	-	2.64	8.32	8.44
	(10.96)	-	-	(10.96)	(2.39)	(0.13)	-	(2.52)	(8.44)	(8.57)
Buildings										
- Owned*	804.23	5.02	-	809.25	197.41	13.46	-	210.87	598.38	606.82
	(803.95)	(0.68)	(0.40)	(804.23)	(183.97)	(13.44)	-	(197.41)	(606.82)	(619.98)
- On Lease- Right of Use ⁵	62.63	8.44	4.23	66.84	22.69	11.11	3.14	30.66	36.18	39.94
	(58.98)	(9.67)	(6.02)	(62.63)	(12.93)	(11.59)	(1.83)	(22.69)	(39.94)	(46.05)
Plant & Equipment:										
- Owned	4698.45	236.22	19.58	4915.09	2209.12	166.51	16.26	2359.37	2555.72	2489.33
	(4635.76)	(71.39)	(8.70)	(4698.45)	(2045.91)	(171.06)	(7.85)	(2209.12)	(2489.33)	(2589.85)
- On Lease- Right of Use ⁵	178.21	-	47.17	131.04	84.73	42.65	47.17	80.21	50.83	93.48
	(178.21)	-	-	(178.21)	(42.08)	(42.65)	-	(84.73)	(93.48)	(136.13)
Furniture and Fixtures										
	18.82	0.21	0.14	18.89	13.96	0.90	0.13	14.73	4.16	4.86
	(18.64)	(0.18)	-	(18.82)	(12.98)	(0.98)	-	(13.96)	(4.86)	(5.66)
Office Equipments										
	22.23	1.18	0.25	23.16	18.35	1.13	0.24	19.24	3.92	3.88
	(22.00)	(0.47)	(0.24)	(22.23)	(17.09)	(1.48)	(0.22)	(18.35)	(3.88)	(4.91)
Vehicles										
	31.12	5.47	4.42	32.17	14.81	3.34	2.68	15.47	16.70	16.31
	(32.12)	(2.01)	(3.01)	(31.12)	(13.13)	(3.35)	(1.67)	(14.81)	(16.31)	(18.99)
Total	5893.33	256.54	75.79	6074.08	2563.59	239.22	69.62	2733.19	3340.89	3329.74
Previous year	(5820.47)	(91.23)	(18.37)	(5893.33)	(2330.48)	(244.68)	(11.57)	(2563.59)	(3329.74)	(3489.99)

Figures in brackets represent amounts pertaining to previous year.

In accordance with the option given under Ind AS, the Property, plant and equipment as on 01.04.2015 were recognised at the carrying value of previous GAAP as deemed cost.

Unamortised forex reinstatement as on 31.03.2022 ₹103.02 crores (Previous year: ₹109.04 crores)

* Buildings include 32 shares held in co-operative housing societies.

⁵ Refer Note No. - 36.

The Company has not revalued any Property, Plant & Equipment during the year.

For security against borrowings - Refer Note No. 15.



Notes to the standalone financial statements

Note - 3 Investment Property

Particulars	Gross Value				Depreciation				Net Value	
	As at 31.03.2021	Additions / Adjustments	Sales / Adjustments	As at 31.03.2022	Upto 31.03.2021	For the year	Sales / Adjustments	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
	Building	6.53	-	-	6.53	0.80	0.10	-	0.90	5.63
	(6.53)	-	-	(6.53)	(0.70)	(0.10)	-	(0.80)	(5.73)	(5.83)

Figures in brackets represent amounts pertaining to previous year.

Rental Income: ₹0.12 crore (Previous Year: ₹0.09 crore). No material expenses were incurred for maintenance.

Note - 4 Other Intangible Assets

Particulars	Gross Value				Amortisation				Net Value	
	As at 31.03.2021	Additions / Adjustments	Sales / Adjustments	As at 31.03.2022	Upto 31.03.2021	For the year	Sales / Adjustments	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
	Computer Software [#]	17.84	2.17	-	20.01	15.91	1.42	-	17.33	2.68
	(17.84)	-	-	(17.84)	(14.70)	(1.21)	-	(15.91)	(1.93)	(3.14)

Figures in brackets represent amounts pertaining to previous year.

[#] Being amortised over a period of 5 years.

Note - 5 Investments [Non-Current (Other than Trade)]

	As at 31.03.2022		As at 31.03.2021	
	Numbers	₹ in Crores (10 Million)	Numbers	₹ in Crores (10 Million)
Investment in Equity Shares:				
Subsidiary Companies (at Cost):				
Lankros Holdings Limited (Euro 1 each)*	42,95,604	73.71	42,95,604	73.71
Sarvi Holdings Switzerland AG (CHF 1000 each)*	100	0.40	100	0.40
JK Tornel S.A. de C.V. (Mexican Pesos 1000 each)*	25	0.01	25	0.01
J. K. International Ltd. (£1 each)**	1,35,000	-	1,35,000	-
J. K. Asia Pacific Ltd. (HK\$ 1 each)	19,99,999	0.71	19,99,999	0.71
3D Innovations Pvt. Ltd (₹10 each)	15,00,000	1.50	15,00,000	1.50
Cavendish Industries Ltd. (₹10 each) [^]	4,44,60,965	637.22	3,96,73,286	563.01
Associate Companies (at Cost):				
Hari Shankar Singhania Elastomer & Tyre Research Institute (₹100 each) (₹2400; Previous year: ₹2400)	24		24	
Treel Mobility Solutions Pvt. Ltd.(₹10 each)	3,737	6.30	3,737	6.30
Dwarkesh Energy Ltd. (₹10 each)	3,50,000	0.35	3,50,000	0.35

Notes to the standalone financial statements

	As at 31.03.2022		As at 31.03.2021	
	Numbers	₹ in Crores (10 Million)	Numbers	₹ in Crores (10 Million)
Others (at fair value through P&L):				
HDFC Bank Ltd. (₹1 each)	10,000	1.47	10,000	1.49
Bengal & Assam Company Ltd. (BACL) (₹10 each) [§]	11,641	2.74	11,641	1.59
V. S. Lignite Power Pvt. Ltd. (₹10 each) [#]	-	-	12,56,039	-
J.K.I. Employees Co-operative Credit Society Ltd. (₹1000 each) (₹5000; Previous year: ₹5000)	5		5	
Vaayu Renewable Energy (Godavari) Pvt. Ltd. (₹10 each)	49,400	6.30	49,400	4.79
ReNew Wind Energy (AP) Pvt. Ltd. (₹10 each)	15,700	0.21	15,700	0.21
ReNew Wind Energy (Karnataka) Pvt. Ltd. (₹10 each)	42,000	0.05	42,000	0.22
Investment in Preference Shares (at fair value through P&L):				
Associate Company:				
Dwarkesh Energy Ltd. (7% Optionally Convertible Cumulative Redeemable Preference Shares) (₹100 each)	11,00,000	13.42	11,00,000	12.09
Others:				
V. S. Lignite Power Pvt. Ltd. (0.01% Cumulative Redeemable Preference Shares) (₹10 each) [#]	-	-	11,14,222	-
Investment in Preference Shares (at amortised cost):				
J.K. Fenner (India) Ltd. (1% [4% IRR] Cumulative Redeemable Preference Shares) (₹100 each)	45,00,000	45.71	70,00,000	65.87
Investment in Mutual Fund (at fair value through P&L):				
LIC Nomura Mutual Fund Growth Fund (₹10 each)	2,50,000	1.01	2,50,000	0.85
		791.11		733.10
Aggregate amount of quoted Investments / market value thereof		5.22		3.93
Aggregate amount of unquoted Investments		785.89		729.17
**Aggregate provision for impairment in value of Investments		0.61		0.61

* Pledged with bank for loans availed by certain foreign subsidiaries.

[^] Pledge with banks -51% shareholding out of 74.14% (Previous Year: 71.91%) held.

[#] Under lien with Issuer.

[§] Acquired before becoming subsidiary of BACL.

Note - 6 Other Financial Assets [Non-Current]

	As at 31.03.2022	As at 31.03.2021
Deferred Receivable	73.39	90.77
Security Deposits	47.00	42.64
Bank Deposits*	0.81	-
	121.20	133.41

* Represent bank deposits having more than 12 months maturity for margin money under lien with banks against bank guarantees.



Notes to the standalone financial statements

Note - 7 Other Non-Current Assets

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Advances - Project Related	9.74	2.83
Deferred Expenditure for financial instruments	7.05	12.27
	16.79	15.10

Note - 8 Inventories (Valued at lower of cost or net realisable value)

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Raw Materials*	681.84	529.18
Work-in-progress	54.26	41.35
Finished Goods**	693.57	543.55
Stock-in-trade	38.80	31.46
Stores and Spares	64.37	49.04
	1532.84	1194.58

* Includes raw materials in transit ₹256.21 crores (Previous year: ₹175.53 crores)

** Includes finished goods in transit ₹7.04 crores (Previous year: ₹5.70 crores)

Provision for write down of inventories during the year ₹2.86 crores (Previous year ₹5.41 crores)

Note - 9 Trade Receivables [Current] (Unsecured)

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Considered Good [§]	1,667.38	1,367.28
Credit Impaired	21.13	13.13
Less : Allowance for Bad and Doubtful debts	(21.13)	(13.13)
	1667.38	1367.28

[§] Refer Note No. 50 for Trade Receivables from related parties.

Ageing of Trade Receivables as at 31.03.2022 and 31.03.2021:

Particulars	Not Due as on 31.03.2022	Outstanding as at 31.03.2022 for following periods from due date of payment					
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	TOTAL
Undisputed Trade Receivable:							
(i) considered good	948.89	571.57	76.59	2.59	7.89	5.45	1612.98
(ii) credit impaired	-	-	0.81	0.30	1.48	7.39	9.98
Disputed Trade Receivable:							
(i) considered good	-	-	0.02	0.26	5.17	48.95	54.40
(ii) credit impaired	-	-	-	-	-	11.15	11.15
TOTAL	948.89	571.57	77.42	3.15	14.54	72.94	1688.51

Notes to the standalone financial statements

₹ in Crores (10 Million)

Particulars	Not Due as on 31.03.2021	Outstanding as at 31.03.2021 for following periods from due date of payment					
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	TOTAL
Undisputed Trade Receivable:							
(i) considered good	813.67	415.44	49.11	24.04	4.12	5.06	1311.44
(ii) credit impaired	-	0.03	0.13	1.91	0.84	6.46	9.37
Disputed Trade Receivable:							
(i) considered good	-	0.08	-	1.37	2.39	52.00	55.84
(ii) credit impaired	-	-	-	-	0.03	3.73	3.76
TOTAL	813.67	415.55	49.24	27.32	7.38	67.25	1380.41

Note - 10 Cash and Cash Equivalents

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Balances with Banks in Current Accounts	44.16	33.17
Remittances in transit and Cheques on hand	8.91	7.87
Cash on hand	0.09	0.07
	53.16	41.11

Note - 11 Other Bank Balances

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Unclaimed Dividend Accounts	1.75	1.73
Deposit Accounts*	21.36	20.13
	23.11	21.86

* Represent Deposit Repayment Reserve Account ₹11.27 crores (Previous year: ₹11.07 crores) and margin money under lien with banks against bank guarantees ₹10.09 crores (Previous year: ₹9.06 crores).

Note - 12 Other Financial Assets [Current]

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
<i>Unsecured, Considered Good:</i>		
Interest Recoverable	4.46	5.40
Due from Related Parties (Refer Note No. 50)	-	0.02
Balances with Government Authorities	148.64	90.06
Deferred Receivable	21.66	20.05
Advances to Employees	7.90	6.32
Derivative Instruments measured at fair value	7.59	5.33
	190.25	127.18



Notes to the standalone financial statements

Note - 13 Current Tax Assets / (Liabilities) (Net)

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Current Tax Assets / (Liabilities) (Net)	26.98	15.69
	26.98	15.69

Note - 14 Other Current Assets

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Balances with Government Authorities	217.10	149.53
Prepaid Expenses	29.15	21.12
Advances to Related Parties (Refer Note No. 50)	17.17	7.85
Advances to Suppliers	20.88	18.25
Deferred Expenditure for financial instruments	1.79	2.52
Others	7.71	1.46
	293.80	200.73

Note - 15 Borrowings [Non-Current]

	₹ in Crores (10 Million)			
	Non - Current		Current *	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Secured Loans				
Term Loans:**				
- Financial Institutions	135.92	186.38	56.49	54.77
- Bank	769.30	924.75	224.75	309.68
	905.22	1111.13	281.24	364.45
Unsecured Loans				
Fixed Deposits	66.84	77.35	40.36	32.89
	66.84	77.35	40.36	32.89
	972.06	1188.48	321.60	397.34

* Amount payable during next 12 months is included under the head "Borrowings [Current]" (Note No. 19).

** Net of ₹3.23 crores (Previous year: ₹3.31 crores) for unamortised processing charges.

- (i) Rupee Term Loan of ₹6.90 crores from a Bank, secured by a first pari passu charge on movable and immovable assets at a Company's Plant in Karnataka, both present and future is repayable in 5 equal quarterly instalments.
- (ii) Rupee Term Loan of ₹23.89 crores, ₹13.51 crores and ₹35.84 crores from Banks and Foreign Currency Loan of ₹48.75 crores (including ₹15.77 crores due to forex reinstatement) from a Financial Institution aggregating to ₹121.99 crores, secured by a first pari passu charge on movable and immovable assets at a Company's Plant in Tamil Nadu, both present and future are repayable in 4, 5, 6 and 6 equal quarterly instalments respectively.
- (iii) Rupee Term Loan of ₹290.25 crores, ₹34.33 crores, and ₹42.97 crores from Banks and Foreign Currency Loan of ₹143.94 crores (including ₹23.46 crores due to forex reinstatement) from a Financial Institution aggregating to ₹511.49 crores, secured by a first pari passu charge created / to be created on movable and immovable assets at a Company's Plant in Tamil Nadu, both present and future and also secured by way of hypothecation on the specified movable assets at Company's Plants in Madhya Pradesh and Karnataka are repayable in 46 quarterly instalments, 14, 22 and 24 equal quarterly instalments respectively.

Notes to the standalone financial statements

- (iv) Rupee Term Loan of ₹223.50 crores from a Bank, secured by a first pari passu charge on movable and immovable assets at a Company's Plant in Tamil Nadu, both present and future is repayable in 46 quarterly instalments.
- (v) Foreign Currency Loan of ₹44.27 crores (including ₹7.95 crores due to forex reinstatement) from a Bank, secured by charge by way of hypothecation of specified assets at Company's Plants in Rajasthan, Karnataka and Tamil Nadu, is repayable in 9 equal quarterly instalments.
- (vi) Foreign Currency Loan of ₹138.19 crores (including ₹19.02 crores due to forex reinstatement) from a Bank, secured by first pari passu charge on movable fixed assets at Company's Plants at Rajasthan and Karnataka (excluding those specifically charged to other banks), both present and future. Loan of Tranche - I, ₹51.33 crores and Tranche - II, ₹86.86 crores are repayable in 9 and 12 quarterly instalments respectively.
- (vii) Rupee Term Loan of ₹88.33 crores from a Bank, secured by a first pari passu charge to be created on movable fixed assets at a Company's Plant in Madhya Pradesh (excluding those specifically charged to other banks), both present and future is repayable in 24 equal quarterly instalments commencing from December 2022.
- (viii) Term Loans carrying first pari passu charge on the movable and immovable assets, are subject to prior charge of banks on stocks and book debts for working capital borrowings.
- (ix) Rupee Term Loan of ₹20 crores from a Bank, secured by a first pari passu charge on movable fixed assets at a Company's Plant in Madhya Pradesh, both present and future is repayable in June 2022.
- (x) Rupee Term Loan of ₹35.02 crores from a Bank, secured by a first pari passu charge on stocks and book debts, of the Company, both present and future with second pari passu charge on movable and immovable assets of the Company's Plants in Rajasthan, Madhya Pradesh, Karnataka and Tamil Nadu (excluding those specifically charged to other banks) is repayable in 17 equal monthly instalments.
- (xi) Fixed Deposits of ₹40.36 crores, ₹42.52 crores and ₹24.32 crores (aggregating ₹107.20 crores) are due for repayment in 2022-23, 2023-24 and 2024-25 respectively.

Note - 16 Other Financial Liabilities [Non-Current]

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Trade Deposits and Others	506.82	479.93
	506.82	479.93

Note - 17 Provisions [Non-Current]

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits (Refer Note No. 48)	30.80	28.88
	30.80	28.88

Note - 18 Deferred Tax Liabilities (Net)

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Deferred Tax Liability related to Property, Plant and Equipment	579.64	613.84
Deferred Tax Assets on		
- Expenses / Provisions Allowable	(88.08)	(103.87)
Deferred Tax Liabilities / (Assets) - Net	491.56	509.97
MAT Credit Entitlement	(148.80)	(198.54)
	342.76	311.43



Notes to the standalone financial statements

Note - 19 Borrowings [Current]

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Secured Loans		
Repayable on Demand from Banks*	1067.75	421.27
Buyers Credit*	93.20	121.05
Current maturities of long term borrowings	281.24	364.45
	1442.19	906.77
Unsecured Loans		
Loans from:		
- Banks	354.43	191.14
Fixed Deposits	11.89	14.79
Current maturities of long term borrowings	40.36	32.89
	406.68	238.82
	1848.87	1145.59

* Represent Working Capital borrowings secured by hypothecation of stocks, book debts, etc. of the Company, both present and future with second charge created on movable and immovable assets of the Company's Plants in Rajasthan, Madhya Pradesh, Karnataka and Tamil Nadu.

Note - 20 Trade Payables [Current]

Ageing of Trade Payables is as given hereunder:

Particulars	Not Due as on 31.03.2022	Outstanding as at 31.03.2022 for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME - Micro & Small	33.60	-	-	-	-	33.60
(ii) Others	1190.16	36.06	-	-	-	1226.22
(iii) Disputed dues - MSME - Micro & Small	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	1.80	0.61	0.54	2.95
Sub-total	1223.76	36.06	1.80	0.61	0.54	1262.77
Unbilled Dues						117.75
TOTAL						1380.52

Particulars	Not Due as on 31.03.2021	Outstanding as at 31.03.2021 for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME - Micro & Small	28.38	-	-	-	-	28.38
(ii) Others	1027.83	31.2	-	-	-	1059.03
(iii) Disputed dues - MSME - Micro & Small	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	1.98	0.20	2.44	4.62
Sub-total	1056.21	31.20	1.98	0.20	2.44	1092.03
Unbilled Dues						104.12
TOTAL						1196.15

Notes to the standalone financial statements

Note - 21 Other Financial Liabilities [Current]

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Interest Accrued but not due on Borrowings	17.18	17.39
Unclaimed Dividends [#]	1.75	1.73
Unclaimed / Uncollected Fixed Deposits and Interest Accrued thereon [#]	1.24	2.48
Liabilities for Expenses	256.14	201.47
	276.31	223.07

[#] Investor Education & Protection Fund will be credited, as and when due.

Note - 22 Other Current Liabilities

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Government and Other Statutory Dues	100.02	88.11
Recoveries under Company Schemes	30.97	29.97
Contract Liabilities	27.01	21.26
Other	-	0.70
	158.00	140.04

Note - 23 Provisions [Current]

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits (Refer Note No. 48)	6.26	6.90
	6.26	6.90

Note - 24 Revenue from Operations

	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Sale of:		
- Products	7824.59	5994.31
- Services	93.85	93.85
Other operating revenues:		
Miscellaneous Income [#]	113.62	46.36
	8032.06	6134.52

[#] Includes Government incentive of ₹90.01 crores (Previous Year: ₹28.74 crores)
Refer Note No. 49 For disclosure regarding Revenue recognised under contracts.



Notes to the standalone financial statements

Note - 25 Other Income

	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Income from Financial Assets valued at:		
- Amortised Cost	15.52	18.00
- Fair Value through Profit & Loss (FVTPL)	1.33	1.20
Other Interest Income	3.43	6.08
Dividend Income	0.60	0.70
Fair Value changes in investments valued at FVTPL	2.64	3.70
Profit on sale of Fixed Assets (Net)	-	0.67
Rent Income	2.57	2.53
Other Non-operating Income	4.11	2.72
	30.20	35.60

Note - 26 (Increase) / Decrease In Inventories Of Finished Goods, Work-In-Progress And Stock-In-Trade

	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Opening Stock		
Finished Goods	543.55	606.81
Work-in-progress	41.35	34.06
Stock -in-trade	31.46	60.01
	616.36	700.88
Closing Stock		
Finished Goods	693.57	543.55
Work-in-progress	54.26	41.35
Stock -in-trade	38.80	31.46
	786.63	616.36
Net (Increase) / Decrease in Stocks	(170.27)	84.52

Note - 27 Employee Benefits Expenses

	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Salaries and Wages	432.21	387.35
Contribution to Provident and other Funds	39.39	38.51
Employees' Welfare and other Benefits	135.80	122.13
	607.40	547.99

Note - 28 Finance Costs

	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Interest on Borrowings & Others	215.90	246.07
Interest on Lease Liabilities	11.64	16.03
Other Borrowing Costs	2.07	4.17
	229.61	266.27

Notes to the standalone financial statements

Note - 29 Other Expenses

	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Consumption of Stores and Spares	90.14	64.18
Power and Fuel	290.74	212.35
Freight and Transportation	281.60	225.47
Advertisement and Sales Promotion	124.45	76.79
Provision for diminution in investments	-	0.61
Conversion Charges	56.06	51.31
Tyre Servicing & Retreading Expenses	17.64	29.90
Legal & Professional Services	55.22	58.00
Repair & Maintenance Expenses	32.42	22.82
Insurance	10.83	7.70
Lease Rent	13.71	11.69
Loss on sale of Fixed Assets (Net)	0.08	-
Allowance for Doubtful Debts / Advances	8.00	2.50
Corporate Social Responsibility Expenses	5.04	2.90
Miscellaneous Expenses	197.24	177.26
	1183.17	943.48

Note - 30

Estimated amounts of contracts remaining to be executed on capital account ₹175.50 crores (Previous year: ₹157.58 crores).

Note - 31

The Company imported certain equipment under Export Promotion Capital Goods (EPCG) Scheme at a concessional custom duty resulting in a saving of ₹23.59 crores, against which export obligation will be fulfilled.

Note - 32

Contingent liabilities in respect of claims not accepted and not provided for ₹159.16 crores (Previous year: ₹152.84 crores) pertaining to matters in appeal for Excise & Customs duty ₹93.45 crores, Service tax ₹1.13 crores, Sales Tax matters ₹2.61 crores, Income tax matters ₹13.74 crores & others matters ₹48.23 crores (Previous year: ₹99.28 crores, ₹0.76 crore, ₹2.56 crores, ₹4.97 crores & ₹45.27 crores respectively).

Note - 33

The Competition Commission of India ("CCI") on 2nd February 2022 published an Order dated 31st August 2018 for alleged contravention of Section 3 of the Competition Act, 2002 against the Company and certain other domestic tyre manufacturing companies and had imposed a penalty of ₹309.95 crores on the Company. The Company has filed an Appeal before the Hon'ble National Company Law Appellate Tribunal against the said CCI Order and the matter is currently pending. It is strongly reiterated that there has been no wrongdoing on the part of the Company and that the Company never indulged in or was part of any cartel or undertook any anti-competitive practices.



Notes to the standalone financial statements

Note - 34

- a) Capital work in progress includes Machinery in stock / transit, construction / erection materials and the following pre-operative expenses pending allocation:

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Raw Material Consumption	0.22	-
Stores & Spares	0.02	-
Employee Benefit Expenses	1.22	-
Power & Fuel Consumption	0.20	-
Miscellaneous Expenditure	0.63	0.01
Add: Expenditure upto previous year	0.01	-
	2.30	0.01
Less: Transferred to Property, Plant and Equipment	1.61	-
	0.69	0.01

- b) Ageing of Capital work in progress and Intangible asset under development as on 31.03.2022 & 31.03.2021 is as follows:

Category	Particulars	Amount in Capital Work-in-Progress for a period of				TOTAL
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
		₹ in Crores (10 Million)				
Capital work in progress	As at 31.03.2022					
	o Projects in progress	73.33	-	-	-	73.33
	o Projects temporarily suspended	-	-	-	-	-
	As at 31.03.2021					
	o Projects in progress	34.09	18.71	10.55	0.77	64.12
o Projects temporarily suspended	-	-	-	-	-	
Intangible asset under development	As at 31.03.2022					
	o Projects in progress	2.59	3.08	-	-	5.67
	o Projects temporarily suspended	-	-	-	-	-
	As at 31.03.2021					
	o Projects in progress	4.65	-	-	-	4.65
o Projects temporarily suspended	-	-	-	-	-	

No Project was temporarily suspended by the Company as at 31.03.2022 and 31.03.2021.

- c) There were no capital-work-in progress and intangible assets under development, whose completion was overdue or has exceeded its cost compared to its original plan.

Notes to the standalone financial statements

Note - 35

The title deeds of all immovable properties are held in the name of the Company. Accordingly, there are no Immovable Properties which were not held in name of the Company as on 31.03.2022 and 31.03.2021.

Note - 36

The Company has lease contracts for land, buildings and plant & equipment. These are recognised as Right of use assets with related lease liabilities in accordance with accounting policy of the Company as given in Note No. 1.3(iv).

- a) The movements in Right of use assets is shown in Note no. 2, Property, Plant & Equipment.
b) The movement in lease liabilities included in Other Financial Liabilities during the year is as follows:

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
As at beginning of the year	137.35	185.48
Additions	8.44	9.67
Accretion of Interest	11.64	16.03
Less: Payments	(59.77)	(69.08)
Less: Discount Received	(0.09)	(0.32)
Less: Leases Terminated	(1.25)	(4.43)
Balance at the end of the year	96.32	137.35
Current	37.62	48.83
Non-Current	58.70	88.52

- c) The amounts recognised in profit and loss during the year:

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Depreciation expenses of right of use assets	53.88	54.37
Interest expense on Lease liabilities	11.64	16.03
Lease Rent recognised as expenses for short term leases	9.51	7.48
Lease Rent recognised as expenses for low value asset leases	4.20	4.21
	79.23	82.09

- d) Cash outflows in regard to Lease contracts, as Lessee:

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Operating activities		
Short term / low value assets Lease payments	13.71	11.69
Financing activities		
Repayment of Principal portion of Lease Liabilities	48.22	53.37
Repayment of Interest portion of Lease Liabilities	11.64	16.03

- e) The contractual maturities of lease liabilities as at year 31st March, 2022 and 31st March, 2021 on undiscounted basis are given below:

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Not later than one year	45.17	58.47
Later than one year and not later than five years	61.14	100.58
Later than five years	5.09	4.82



Notes to the standalone financial statements

- f) The company has given certain equipment on sub-lease, from which rental income recognised during the year is ₹0.77 crore (Previous year: ₹0.77 crore).

Note - 37

Debts / Advances include ₹65.55 crores (Previous year ₹59.60 crores) for which legal and other necessary action has been taken.

Note - 38

In respect of certain disallowances and additions made by the Income Tax Authorities, appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally determined.

Note - 39

The details of amounts outstanding under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent of information available with the Company are as under:

- (i) Principal & Interest amount due and remaining unpaid as at 31.03.2022: Nil (Previous year: Nil), (ii) Payment made beyond the appointed day during the year: Nil (Previous year: Nil) and (iii) Interest Accrued and unpaid as at 31.03.2022: Nil (Previous year: Nil).

Note - 40

The Company has borrowings from Banks and Financial Institutions on the basis of securities of Current Assets. It has also filed the quarterly statements of current assets with all consortium banks and Financial Institutions during the year and these statements agree with the salient relevant items of books of account of the Company.

Note - 41

The Company has utilised the borrowings received from banks and financial institutions for the purpose for which it was taken during the year.

Note - 42 Expenditure on Research and Development (R&D) Activities During the Year

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
i) Revenue Expenditure*:		
1. Employee Cost	24.43	21.85
2. Cost of Materials and Testing Charges	48.86	45.63
3. Other R&D Expenses	13.33	18.41
Subtotal (i)	86.62	85.89
ii) Capital Expenditure	1.72	1.36
Total (i+ii)	88.34	87.25

* Included in respective revenue accounts.

Note - 43 Amount Paid to Auditors

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
i) Statutory Auditors		
a) Audit Fee	0.35	0.30
b) Taxation	0.03	0.03
c) Certificates / other services	0.04	0.03
d) Reimbursement of expenses: ₹41500		0.02
ii) Cost Auditors		
a) Audit Fee	0.03	0.02
b) Certificates / other services: ₹49800 (Previous year: ₹36500)		

Notes to the standalone financial statements

Note - 44

Exceptional items include net impact of favorable foreign exchange rate fluctuation ₹14.30 crores (Previous Year: 24.08 crores) and expenditure on VRS for the employees ₹10.35 crores (Previous year: ₹2.87 crores).

Note - 45

The Company has evaluated impact of COVID-19 pandemic on its business, performance and financials. The Company expects to recover the carrying amount of various assets and to maintain sufficient liquidity. The impact of subsequent developments, if any, occurring after approval of these financial statements will be recognized prospectively.

Note - 46 Earnings per Share (EPS)

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
a. Profit for the year attributable to Equity Shareholders	183.04	256.45
b. Weighted average number of Equity Shares for Basic / Diluted EPS	24,62,30,880	24,62,30,880
c. Earnings per share of ₹2 each		
- Basic / Diluted (₹)	7.43	10.42

Note - 47 Financial Ratios

Sl. No.	Description	Units	2021-2022	2020-2021	Change in Ratio (%)	Explanation
1	Current Ratio					
	Current Assets / Current Liabilities excluding current maturities of Long-Term Borrowings)	Times	1.12	1.26	-10.95	
2	Debt-Equity Ratio					
	(Total Debt / Equity)	Times	1.12	0.97	14.75	
3	Debt Service Coverage Ratio					
	(Earnings before Interest, Depreciation and Tax / (Interest + Principal repayments)	Times	1.12	1.73	-35.59	Refer Note No. A
4	Return on Equity Ratio					
	(Net Profits / Average Equity)	%	7.43	11.25	-33.90	Refer Note No. B
5	Inventory turnover ratio					
	(Sale of Products / Average Inventory)	Times	5.74	5.23	9.60	
6	Trade Receivables turnover ratio					
	(Revenue from Operations / Average Accounts Receivables)	Times	5.29	4.38	20.95	
7	Trade payables turnover ratio					
	(Purchases / Average Trade Payables)	Times	4.64	3.67	26.40	Refer Note No. C
8	Net capital turnover ratio					
	(Revenue from Operations / Working Capital)	Times	20.00	10.14	97.34	Refer Note No. D
9	Net profit ratio					
	(Net Profit / Total Income)	%	2.27	4.16	-45.38	Refer Note No. E
10	Return on Capital employed					
	(Earnings before interest and taxes / Average Capital Employed)	%	9.26	12.18	23.99	
11	Return on investment					
	(Income on Investment / Average Investments including Fixed Deposits (excluding Investment in Subsidiaries and associates valued at cost)	%	8.25	9.45	-12.64	



Notes to the standalone financial statements

- A) Steep rise in Raw material prices could not be passed on fully in the market resulting in lower cash generation. Further, due to COVID-19 relaxation given by the RBI, the loan repayments for FY 2020-21 were deferred. Accordingly, the same are not comparable with normal repayments due in FY 2021-22.
- B) Return on Equity was adversely impacted due to unprecedented increase in Raw Material Prices during FY 2021-22 impacting profitability.
- C) Due to unprecedented price increase, unit value of raw material have gone up by 28%, which impacted profitability. The trade payables were higher due to planned purchases of critical raw materials to ensure availability at all times.
- D) During last year FY 2020-21, the production and sales were severely impacted due to onslaught of COVID 1.0 wave, which impacted profitability. Hence, the performance of FY 2021-22 is not comparable with previous Year. During FY 2021-22, the company continued to lay focus on increased throughput in terms of production and sales and achieve higher market share in different product categories. Accordingly, short term reliance was placed on borrowings to address the business needs.
- E) The Company had taken various initiatives for drastic cost reduction in Travelling, Advertisement, Sales Promotion, etc for cost minimization as well as revenue maximization during challenging COVID- 19 times, which brought in substantial one time saving resulting into higher profitability. During FY 2021-22 due to higher level of business activity, the company continued to maintain strong foothold to command market share, even if, full impact of raw material price increase could not be passed on to the market, which impacted profitability. As a result, the Net Profit Ratio for FY 2021-22 was lower compared with FY 2020-21.

Note - 48

The disclosures required under Ind AS 19 "Employee Benefits" notified in the Companies (Indian Accounting Standards) Rules, 2015 are as given below:

(a) Defined Benefit Plan:**(i)**

Particulars	₹ in Crores (10 Million)			
	Leave Encashment		Gratuity	
	(Non-Funded)		(Funded)	
	2021-2022	2020-2021	2021-2022	2020-2021
I Change in the Present Value of Obligation				
1) Present Value of Defined Benefit Obligation at the beginning of the year	33.94	36.50	142.49	140.06
2) Current Service Cost	5.05	3.71	8.41	8.13
3) Past Service Cost	-	(0.64)	-	-
4) Interest Expense or Cost	2.21	2.27	8.42	8.82
5) Remeasurement (or actuarial) (gain) / loss arising from:				
- change in financial assumptions	(1.25)	0.59	(3.82)	1.91
- experience variance (i.e. actual experience vs assumptions)	8.25	7.84	7.52	0.41
6) Benefit Paid	(12.67)	(16.33)	(25.86)	(16.84)
7) Present Value of Obligation as at the end	35.53	33.94	137.16	142.49
II Change in the Fair Value of Plan Assets				
1) Fair value of Plan Assets at the beginning of the year	-	-	147.12	130.18
2) Investment Income	-	-	9.24	8.80
3) Employer's Contribution	-	-	16.11	19.33
4) Benefits Paid	-	-	(25.86)	(16.84)
5) Return on Plan Assets, excluding amount recognised in net Interest Expense	-	-	1.36	5.65
6) Fair value of Plan Assets as at the end	-	-	147.97	147.12

Notes to the standalone financial statements

Particulars	₹ in Crores (10 Million)			
	Leave Encashment		Gratuity	
	(Non-Funded)		(Funded)	
	2021-2022	2020-2021	2021-2022	2020-2021
III Expenses recognised in the Statement of Profit & Loss Account*				
1) Current Service Cost	5.05	3.71	8.41	8.13
2) Past Service Cost	-	(0.64)	-	-
3) Net Interest (Income) / Cost on the Net Defined Benefit Liability (Asset)	2.21	2.27	(0.82)	0.02
4) Expenses recognised in the Income Statement	7.26	5.34	7.59	8.15
IV Other Comprehensive Income				
1) Actuarial (Gains) / Losses				
- change in financial assumptions	(1.25)	0.59	(3.82)	1.91
- experience variance (i.e. actual experience vs assumptions)	8.25	7.84	7.52	0.41
2) Return on Plan Assets, excluding amount recognised in net Interest Expense	-	-	(1.36)	(5.65)
3) Components of Defined Benefit Costs recognised in Other Comprehensive Income	7.00	8.43	2.34	(3.33)
V Actuarial Assumptions:				
1) Discount Rate	6.90%	6.50%	6.90%	6.50%
2) Expected rate of return on Plan Assets	-	-	6.90%	6.50%
3) Mortality	Indian Assured Lives Mortality (2006-08) Ultimate			
4) Salary Escalation	5.50%	5.50%	5.50%	5.50%

* Included under the head Employee Benefits Expense – Refer Note No. 27.

(ii)

Particulars	₹ in Crores (10 Million)									
	Leave Encashment					Gratuity				
	2021-22	2020-21	2019-20	2018-19	2017-18	2021-22	2020-21	2019-20	2018-19	2017-18
Present Value of Defined Benefit Obligation	35.53	33.94	36.50	33.09	29.28	137.16	142.49	140.06	134.17	118.37
Fair Value of Plan Assets	-	-	-	-	-	147.97	147.12	130.18	136.61	132.53
Surplus / (Deficit)	(35.53)	(33.94)	(36.50)	(33.09)	(29.28)	10.81	4.63	(9.88)	2.44	14.16
Experience adjustment on Plan Liabilities (Gain) / Loss	8.25	7.84	7.23	6.30	7.65	7.52	0.41	2.45	8.19	1.20
Experience adjustment on Plan Assets (Gain) / Loss	-	-	-	-	-	(1.36)	(5.65)	2.90	(0.18)	0.95



Notes to the standalone financial statements

(iii) Sensitivity analysis

Reasonably possible changes at the year end, to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as the amounts shown below:-

Particulars	₹ in Crores (10 Million)			
	Leave Encashment		Gratuity	
	31 st March 2022	31 st March 2021	31 st March 2022	31 st March 2021
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	38.82	32.73	37.20	31.20
Salary Growth Rate (- / + 1%)	32.67	38.84	31.15	37.20
Attrition Rate (- / + 1%)	35.10	35.90	33.63	34.21
Mortality Rate (- / + 10% of mortality rates)	35.51	35.54	33.93	33.95
	Decrease	Increase	Decrease	Increase
	147.14	128.49	152.91	133.45
	128.69	146.63	133.63	152.45
	136.01	138.17	141.65	143.23
	137.12	137.20	142.46	142.52

(iv) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of assets management, historical results of return on plan assets and the policy for plan assets management.

(v) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(vi) Employer's Contribution to PF (trust) during the 12 months ended 31st March, 2022 of ₹8.95 crores (Previous year: ₹7.88 crores) has been included under the head Employee Benefits Expense. (Refer Note No. 27)

(vii) Maturity Profile of Defined Benefit Obligation:

Particulars	Leave Encashment		Gratuity	
	2021-2022	2020-2021	2021-2022	2020-2021
Within next 1 Year	4.88	5.22	14.12	14.20
Between 2 - 5 Years	13.72	12.00	66.20	67.96
Between 6 - 10 Years	17.52	16.26	78.40	80.47
More than 10 Years	27.46	22.42	135.17	105.93

(b) Defined Contribution Plans:

Employer's Contribution to Provident and other Funds charged off during the 12 months ended 31st March, 2022 of ₹22.85 crores (Previous year: ₹22.48 crores) has been included under the head Employee Benefits Expense. (Refer Note No. 27).

Note - 49 Revenue Recognised Under Contracts

a) The disaggregation of revenue earned under contracts as per Ind AS-115 is as follows:

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Category-wise:		
<i>Revenue recognised at the point of time:</i>		
Tyres, Tubes & Flaps	7590.74	5804.97
Other goods	233.85	189.34
<i>Revenue recognised over the period of time:</i>		
Services	93.85	93.85
	7918.44	6088.16
Geography-wise:		
Within India	6335.22	4935.56
Outside India	1583.22	1152.60
	7918.44	6088.16

Notes to the standalone financial statements

b) Revenue-related receivables and contract liabilities at the year end:

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Trade receivables (Refer Note No. 9)	1667.38	1367.28
Contract liabilities (Refer Note No. 22)	27.01	21.26

c) Reconciling the amount of revenue recognised during the year in the statement of profit and loss with the contracted price:

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Revenue as per contracted price	8,191.45	6,359.63
Reductions towards variable consideration components*	(273.01)	(271.47)
Revenue from contracts with customers	7,918.44	6,088.16

* The reduction towards variable consideration comprises of discounts, claims against obligations, etc.

d) Impairment in Trade Receivables are disclosed as 'Allowance for Bad and Doubtful debts' amounting ₹21.13 crores (Previous year: ₹13.13 crores).

Note - 50 Related Parties

a) Holding Company:

Bengal & Assam Company Ltd. (BACL-H)

b) Subsidiaries:

J. K. International Ltd.
 J. K. Asia Pacific Ltd. (JKAPL)
 J. K. Asia Pacific (S) Pte. Ltd. (JKAPPL - Subs. of JKAPL)
 Lankros Holdings Ltd. (LANKROS)
 Sarvi Holdings Switzerland AG. (SARVI - Subs. of LANKROS)
 JK Tornel S.A. de C.V. (JKTSA - Subs. of SARVI)
 Comercializadora América Universal, S.A. de C.V.*
 Compañía Hulera Tacuba, S.A. de C.V.*
 Compañía Hulera Tornel, S.A. de C.V. (CHT)*
 Compañía Inmobiliaria Norida, S.A. de C.V.*
 General de Inmuebles Industriales, S.A. de C.V.*
 Gintor Administración, S.A. de C.V.*
 Hules y Procesos Tornel, S.A. de C.V.*
 3DInnovations Pvt. Ltd. (3DIPL)
 Cavendish Industries Ltd. (CIL)

* Subsidiary of JKTSA



Notes to the standalone financial statements

c) Fellow Subsidiaries (with which, the Company has transactions):

JK Agri Genetics Ltd. (JKAGL)
J.K. Fenner (India) Ltd. (JKFIL)

d) Associates (with which, the Company has transactions):

Hari Shankar Singhania Elastomer and Tyre Research Institute (HASETRI)
Valiant Pacific LLC. (VPL - Associate of JKAPPL)
JK Lakshmi Cement Ltd (JKLCL - Associate of BACL-H)
JK Paper Ltd. (JKPL - Associate of BACL-H)
Treel Mobility Solutions Private Limited (TREEL)
Western Tires, Inc., (WTI – Subs. of Western Tire Holdings Inc. - Associate of CHT)

e) Key Management Personnel (KMP) (with which, the Company has transactions):

(i)	Dr. Raghupati Singhania	Chairman & Managing Director
(ii)	Shri Bharat Hari Singhania	Non-Executive Non-Independent Director (Managing Director till 30 th Sept. 2021)
(iii)	Shri Anshuman Singhania	Managing Director
(iv)	Shri Arun Kumar Bajoria	Director & President – International Operations
(v)	Smt. Sunanda Singhania	Non-Executive Non-Independent Director
(vi)	Shri Arvind Singh Mewa	Independent Director
(vii)	Shri Bakul Jain	Independent Director
(viii)	Shri Shreekant Somany	Independent Director
(ix)	Shri Vimal Bhandari	Independent Director
(x)	Shri Kalpataru Tripathy	Independent Director
(xi)	Dr. Wolfgang Holzbach	Independent Director
(xii)	Smt. Meera Shankar	Independent Director
(xiii)	Shri Sanjeev Aggarwal	Chief Financial Officer
(xiv)	Shri Pawan Kumar Rustagi	Vice President (Legal) & Co. Secretary
(xv)	Shri Ashok Kumar Kinra	Non-Executive Director of BACL-H

f) Post-Employment Benefit Plan Entities:

JK Tyre & Industries Ltd. Employees Provident Fund Optional Scheme, Kolkata (JKEPFK)
JK Tyre & Industries Ltd. Officers Superannuation Fund, Kolkata (JKOSFK)
JK Tyre & Industries Ltd. Employees Gratuity Fund, Kolkata (JKEGFK)
JK Tyre & Industries Ltd. Employees Provident Fund Trust, Mysuru (JKEPFV)
JK Tyre & Industries Ltd. Officer's Superannuation Fund Trust, Mysuru (JKOSFV)
JK Tyre & Industries Ltd. Employees Gratuity Fund Trust, Mysuru (JKEGFV)

g) Other Related Parties (with which, the Company has transactions):

Niyojit Properties Pvt. Ltd. (NPPL - controlled by KMP of BACL-H)
CMDS (One Person Company controlled by Dr. Wolfgang Holzbach)

Notes to the standalone financial statements

(I) The following transactions were carried out with related parties in the ordinary course of business and on arm's length basis:

₹ in Crores (10 Million)

Nature of Transactions	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Other Related Parties	TOTAL
Sale of Tyres to CHT-401.53, VPL-266.42, WTI-139.04, JKLCL		401.53		405.50		807.03
Sale of Tyres to CHT-233.90, VPL-239.38, WTI-39.89, JKLCL		(233.90)		(279.28)		(513.18)
Sale of Goods to CIL-124.84, TREEL		124.84	-	0.13		124.97
Sale of Goods to CIL-126.24, JKFIL, TREEL		(126.24)	(0.09)	(1.69)		(128.02)
Sale of Capital Items to CIL		1.55				1.55
Sale of Capital Items to CIL		(0.24)				(0.24)
Purchase of Goods from CIL, JKFIL, TREEL-8.84, JKLCL		502.72	0.02	8.94		511.68
Purchase of Goods from CIL, JKFIL -0.05, TREEL		(317.79)	(0.05)	(9.31)		(327.15)
Purchase of Capital Items from CIL		1.42				1.42
Purchase of Capital Items from CIL		(6.75)				(6.75)
Sharing of Expenses received from BACL-H, CIL, JKFIL - 0.88, JKAGL, HASETRI - 4.18, JKPL - 0.91, JKLCL	0.02	0.04	0.97	5.89		6.92
Sharing of Expenses received from BACL-H, CIL, JKFIL - 0.76, JKAGL, HASETRI - 3.50, JKPL - 0.74, JKLCL	(0.02)	(0.03)	(0.83)	(4.87)		(5.75)
Sharing of Expenses paid to BACL-H, JKPL-0.10, JKLCL-0.38, TREEL(₹46349), NPPL	0.76			0.48	0.54	1.78
Sharing of Expenses paid to BACL-H, JKPL-0.15, JKLCL-0.44, TREEL, NPPL	(0.75)			(0.64)	(0.54)	(1.93)
Services Availed –JKAPPL-0.61, JKFIL, HASETRI – 28.46, VPL, CMDS		0.61	16.36	28.66	0.03	45.66
Services Availed –JKAPPL-0.48, JKFIL, HASETRI – 41.58, VPL		(0.48)	(17.12)	(43.73)		(61.33)
Services rendered to CIL – 89.02, JK TSA		106.61				106.61
Services rendered to CIL – 101.89, JK TSA		(119.25)				(119.25)
Subscription towards CIL's Right Issue		74.21				74.21
Redemption of JKFIL's Preference Shares			28.63			28.63
Contribution to HASETRI				10.00		10.00
Interest Income from JKFIL			2.94			2.94
Interest Income from JKFIL			(3.89)			(3.89)
Royalty from VPL						
Royalty from VPL				(0.01)		(0.01)
Dividend from JKFIL			0.60			0.60
Dividend from JKFIL			(0.70)			(0.70)
Contribution to Trusts- JKEPFK- 8.20, JKOSFK- 0.50, JKEGFK- 9.05, JKEPFV - 26.49, JKOSFV- 0.22, JKEGFV					45.34	45.34
Contribution to Trusts- JKEPFK- 7.45, JKOSFK- 0.49, JKEGFK- 2.23, JKEPFV - 18.90, JKOSFV- 0.25, JKEGFV					(31.91)	(31.91)
Outstanding as at year end:						
Due from JKAPPL-0.02		(0.02)				(0.02)



Notes to the standalone financial statements

₹ in Crores (10 Million)

Nature of Transactions	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Other Related Parties	TOTAL
Advances to HASETRI – 13.49, TREEL – 3.68				17.17		17.17
Advances to HASETRI – 7.85				(7.85)		(7.85)
Trade Receivables:						
CHT-240.60, CIL-102.09, JK TSA-20.04, VPL- 216.05, WTI- 32.10		362.73		248.15		610.88
CHT-220.43, CIL-70.09, JK TSA-15.55, VPL- 169.60, WTI- 14.56		(306.07)		(184.16)		(490.23)
Other Receivables:						
-BACL-H-0.66, JK FIL-26.09, JK PL-0.24, HASETRI-₹41897, JKEGFV-5.96, JKEGFK-4.85, NPPL-0.54	0.66		26.09	0.24	11.35	38.34
-BACL-H-0.66, JK FIL-33.90, JKEGFV-4.83, NPPL-0.54	(0.66)		(33.90)		(5.37)	(39.93)
Payables:						
-CIL-10.17, JK TSA-0.34, VPL-1.53, JKEPFV-0.19		10.51		1.53	0.19	12.23
-CIL-30.85, VPL-2.45, TREEL-0.74, JKEGFK-0.20, JK OSFV-0.01		(30.85)		(3.19)	(0.21)	(34.25)

Figures in brackets represent amounts pertaining to previous year.

(II)

₹ in Crores (10 Million)

Remuneration paid to Key Managerial Personnel	2021-2022	2020-2021
Short-term Employee Benefits	36.50	47.16
Post-employment Benefits*	0.46	0.44
Other Payments	3.98	1.63

* Excludes gratuity and leave encashment, as the same is considered on actuarial valuation basis for the Company as a whole.

Note - 51

The Company has following balances with struck-off companies

₹ in Crores (10 Million)

Name of struck-off Company	Nature of transactions with struck-off Company	Balance Outstanding as on 31.03.2022	Balance Outstanding as on 31.03.2021	Relationship with the Struck-off Company
A P Logistics Private Limited	Receivable	0.01	0.01	Customer
Neha Interiors Pvt Ltd	Payable	-	(₹5775)	Vendor

₹ in Crores (10 Million)

Name of struck-off Company	Nature of transactions	No. of Shares held as on 31.03.2022	No. of Shares held as on 31.03.2021	Relationship with the Struck-off Company
Kothari Intergroup Ltd.	Shares held by struck-off Company	2	2	Shareholder
N R I Financial Services Ltd		80	80	Shareholder
S D Food Products Pvt Ltd		1600	1600	Shareholder
Samarias Trading Co Pvt Ltd		335	335	Shareholder
Vaishak Shares Limited		5	5	Shareholder

Notes to the standalone financial statements

Note - 52 Dividends

The following dividends were declared and paid by the company during the year:

₹ in Crores (10 Million)

Particulars	2021-2022	2020-2021
For the year ended 31 st March, 2021 - 100% i.e. ₹2.00 per equity share, (31 st March, 2020 - 35% i.e. ₹0.70)	49.25	17.24

The following dividends were proposed by the board of directors in their meeting subject to approval of shareholders at the Annual General Meeting and are not recognised as a liability:

₹ in Crores (10 Million)

Particulars	2021-2022	2020-2021
For the year ended 31 st March, 2022 – 75% i.e. ₹1.50 per equity share (31 st March, 2021 – 100% i.e. ₹2.00)	36.93	49.25

Note - 53 Income Tax

(A) Amounts recognized in Statement of Profit and Loss

₹ in Crores (10 Million)

Particulars	2021-2022	2020-2021
Current Tax	96.41	128.00
Deferred Tax - Relating to origination and Reversal of Temporary Difference	(15.15)	11.11
Total	(15.15)	11.11
Income Tax Expense reported in the Statement of Profit and Loss	81.26	139.11

(B) Income Tax recognized in Other Comprehensive Income

₹ in Crores (10 Million)

Particulars	2021-2022	2020-2021
Deferred Tax on Re-measurement Losses on Defined Benefit Plans	(3.26)	(1.78)

(C) Reconciliation of Effective Tax Rate

₹ in Crores (10 Million)

Particulars	2021-2022	2020-2021
Accounting Profit before Income Tax	264.30	395.56
At applicable Statutory Income Tax Rate @ 34.944%	92.36	138.22
Difference in Tax Rate	(15.83)	-
Others	4.73	0.89
Income Tax Expense	81.26	139.11
Effective Tax Rate	30.75%	35.03%



Notes to the standalone financial statements

(D) Reconciliation of Deferred Tax Liabilities (Net)

₹ in Crores (10 Million)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Balance	311.43	243.67
Deferred Tax Expense recognized in:		
Statement of Profit and Loss	(15.15)	11.11
Other Comprehensive Income	(3.26)	(1.78)
Deferred Tax Liabilities / (Assets) – Net	293.02	253.00
MAT Credit Utilization	49.74	58.43
Deferred Tax Liabilities (Net)	342.76	311.43

Note - 54 Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the companies: -

₹ in crores (10 Million)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
(i) Financial Assets				
(a) At Fair Value through Profit and Loss				
- Investments	25.20	25.20	21.24	21.24
- Others	7.59	7.59	5.33	5.33
(b) At Amortised Cost				
- Investments	45.71	45.71	65.87	65.87
- Trade Receivables	1667.38	1667.38	1367.28	1367.28
- Others	380.13	380.13	318.23	318.23
Total	2126.01	2126.01	1777.95	1777.95
(ii) Financial Liabilities				
(a) At Amortised Cost				
- Borrowings	2820.93	2820.93	2334.07	2334.07
- Lease Liabilities	96.32	96.32	137.35	137.35
- Trade Payables	1380.52	1380.52	1196.15	1196.15
- Others	783.13	783.13	703.00	703.00
Total	5080.90	5080.90	4370.57	4370.57

The following methods and assumptions were used to estimate the fair values:

- Cash and short-term deposits, trade receivables, loans, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are considered to account for the expected losses of these receivables. As at end of each reporting year, the carrying amounts of such receivables, net of allowances (if any), are not materially different from their calculated fair values.

Notes to the standalone financial statements

- Fair value of Investments in quoted mutual funds and equity shares are based on quoted market price at the reporting date. The fair value of unquoted Investments in preference shares are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The fair value of unquoted Investments in equity shares are estimated on net assets basis.
- Fair value of borrowings from banks and other non-current financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.
- The fair values of derivatives are calculated using the RBI reference rate as on the reporting date as well as other variable parameters.

Fair Value Hierarchy:

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows: -

Level 1 - Quoted prices in active markets.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data.

The following table presents the fair value measurement hierarchy of financial assets and liabilities, which have been measured, subsequent to initial recognition, at fair value as at 31st March, 2022 and 31st March, 2021:

₹ in crores (10 Million)

Particulars	Level 1	Level 2	Level 3
31st March, 2022			
Financial Assets			
- Quoted Equity Shares	4.21	-	-
- Unquoted Equity Shares	-	-	6.56
- Unquoted Preference Shares	-	-	13.42
- Mutual Funds	1.01	-	-
- Forward Contracts	-	7.59	-
31st March, 2021			
Financial Assets			
- Quoted Equity Shares	3.08	-	-
- Unquoted Equity Shares	-	-	5.22
- Unquoted Preference Shares	-	-	12.09
- Mutual Funds	0.85	-	-
- Forward Contracts	-	5.33	-

There has been no transfer among levels 1, 2 and 3 during the year ended 31st March, 2022.**Note - 55**The fair value of Investment property as per registered valuer report as at 31st March, 2022 is ₹13.07 crores (Previous year: ₹12.41 crores) after considering the rental income from current leases and other assumptions that market participants would use while pricing investment property under current market conditions.**Note - 56 Financial Risk Management Objectives and Policies**

The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate risk and commodity price risk), credit risk and liquidity risk.



Notes to the standalone financial statements

- **Market Risk:** Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises mainly three types of risk: interest rate risk, currency risk and other price risk such as commodity price risk.
- **Foreign Currency Risk:** Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has obtained foreign currency borrowings and has foreign currency trade payables and receivables and is therefore, exposed to form exchange risk.

After taking cognisance of the natural hedge, the Company takes appropriate hedges to mitigate its risk resulting from fluctuations in foreign currency exchange rate(s).

Foreign Currency Sensitivity: The following table demonstrates the sensitivity to a reasonably possible change in USD with all other variables held constant. The impact on company's profit before tax is due to changes in the foreign exchange rate is as follows:

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Change in USD	+ ₹0.25	+ ₹0.25
Effect on Profit before Tax	(2.77)	(1.85)
Change in USD	- ₹0.25	- ₹0.25
Effect on Profit before Tax	2.77	1.85

Forward Contracts for hedging Receivables: US \$ 52 million (Previous year: US \$ 25 million) and for hedging Payables: US \$ 33.34 million (Previous year: Nil) are outstanding as at 31.03.2022.

Foreign currency exposure unhedged net payable is ₹841.11 crores – US \$ 110.97 million (Previous year: ₹543.77 crores – US \$ 73.98 million) as at 31.03.2022.

- **Interest Rate Risk:** Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any changes in the interest rates environment may impact future rates of borrowing. The Company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments, interest rate negotiations with the lenders for ensuring the cost-effective method of financing.

Interest Rate Sensitivity: The following table demonstrates the sensitivity to a reasonably possible change in interest rates on financial assets affected. With all other variables held constant, the company's profit before tax is affected through the impact on finance cost with respect to our borrowing, as follows:

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Change in Basis Points	+ 25	+ 25
Effect on Profit before Tax	(7.05)	(5.84)
Change in Basis Points	- 25	- 25
Effect on Profit before Tax	7.05	5.84

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

- **Commodity Price Risk:** The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of raw material and manufacturing of tyres, and therefore, requires a continuous supply of certain raw materials such as natural rubber, synthetic rubber, carbon black, fabric, bead wire rubber chemicals etc. To mitigate the commodity price risk, the Company has an approved supplier base to get best competitive prices for the commodities and to assess the market to manage the cost without any compromise on quality.
- **Credit Risk:** Credit risk is the risk that counterparty might not honour its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables).

Notes to the standalone financial statements

- **Trade Receivables:** Customer credit risk is managed based on company's established policy, procedures and controls. The company assesses the credit quality of the counterparties taking into account their financial position, past experience and other factors.

Credit risk is reduced by receiving pre-payments and export letter of credit to the extent possible. The Company has a well-defined sales policy to minimize its risk of credit defaults. Outstanding customer receivables are regularly monitored and assessed. Impairment analysis is performed based on historical data at each reporting date on an individual basis. However, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

Credit Risk Exposure: The allowance for expected credit loss on customer balances for the year ended 31st March, 2022 and 31st March, 2021:

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Balance at the beginning	13.13	10.63
Add: Provision created during the Year	8.00	2.50
Balance at the End	21.13	13.13

- **Deposits with Bank:** The deposits with banks constitute mostly the liquid investment of the company and are generally not exposed to credit risk.
- **Liquidity Risk:** Liquidity risk is the risk, where the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The table below summarises the maturity profile of company's financial liabilities based on contractual payments:

Particulars	₹ in Crores (10 Million)	
	Upto 5 years	> 5 years
As at 31st March 2022		
Borrowings*	2399.29	421.64
Trade and Other Payables	1380.52	-
Lease Liabilities	91.81	4.51
Other Financial Liabilities	276.31	506.82
Total	4097.53	940.16
As at 31st March 2021		
Borrowings*	2076.26	257.81
Trade and Other Payables	1196.15	-
Lease Liabilities	128.91	8.44
Other Financial Liabilities	223.07	479.93
Total	3624.39	746.18

* Including working capital facility from consortium banks renewed every year.

Note - 57 Capital Management

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be.



Notes to the standalone financial statements

The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net Debt is calculated as borrowings less cash and cash equivalents.

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Borrowings	2820.93	2334.07
Less: Cash and Cash Equivalents	53.16	41.11
Net Debt	2767.77	2292.96
Equity Share Capital	49.25	49.25
Other Equity	2476.85	2349.14
Total Capital	2526.10	2398.39
Capital and Net Debt	5293.87	4691.35
Gearing Ratio	52.28%	48.88%

Note - 58

The amount required to be spent as Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 for the year ended 31st March 2022 is ₹5.04 crores (Previous Year: ₹2.89 crores) i.e. 2% of average net profits for last three financial years, calculated as per Section 198 of the Companies Act, 2013.

The Company has spent ₹5.04 crores on CSR Projects / initiatives during the year (Previous year: ₹2.90 crores), which are summarized as under:

Sl. No.	Nature of activities	₹ in Crores (10 Million)	
		Amount spent	
		2021-2022	2020-2021
1	Prevention of HIV AIDS	0.05	0.06
2	Health camps, reproductive & child health care program	0.15	0.14
3	Providing better health services through support to hospitals	0.75	1.25
4	Support to Schools, ITIs, educational institutes	1.62	0.04
5	Livelihood enhancement and water conservation project	1.18	0.62
6	Green cover & environment conservation	0.18	0.11
7	Prevention of COVID-19	0.71	0.44
8	Rural Development	0.16	0.10
9	Administration Overheads	0.24	0.14
	Total	5.04	2.90

In terms of disclosure requirement vide Notification No. 158 dated 24th March, 2021 effective from 1st April 2021, there is no shortfall of CSR expenditure compared with prescribed limits for the year 2021-2022.

In terms of Ind AS 24, the Company has not made any contribution for CSR expenditure to any related party during the year.

Note - 59

Figures less than ₹50000 have been shown at actual in brackets.

Note - 60

Previous year figures have been reclassified / regrouped wherever necessary.

As per our report of even date

For S S KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm Registration No. - 000756N

HARISH GUPTA
Partner
Membership No. - 098336
New Delhi, the 20th May, 2022

SANJEEV AGGARWAL
Chief Financial Officer

P. K. RUSTAGI
Company Secretary

Dr. Raghupati Singhania
Anshuman Singhania

Bharat Hari Singhania
Smt. Sunanda Singhania
Shreekant Somany
Kalpataru Tripathy
Bakul Jain
Smt. Meera Shankar
Arun K. Bajoria

Chairman & Managing Director
Managing Director

Directors

Cash Flow Statement for the year ended 31st March, 2022

Sl. No.	Particulars	₹ in Crores (10 Million)	
		2021-2022	2020-2021
A. CASH FLOW FROM OPERATING ACTIVITIES:			
	Net Profit before Tax	264.30	395.56
	Adjustment for:		
	Depreciation and Amortisation expense	240.74	245.99
	Finance Costs	229.61	266.27
	(Profit) / Loss on sale of Property, Plant and Equipment	0.08	(0.67)
	Provision for Diminution of Investment	-	0.61
	Fair Value Changes in Non-Current Investments	(2.64)	(3.70)
	Unrealised Foreign Exchange Fluctuation	(11.34)	(32.40)
	Interest / Dividend Received	(20.88)	(25.98)
	Allowance for Doubtful Debts / Advances and Bad Debts written off	8.00	2.50
	Operating Profit before Working Capital changes	707.87	848.18
	(Increase) / Decrease in Trade and Other Receivables	(435.60)	182.43
	(Increase) / Decrease in Inventories	(338.26)	(99.05)
	Increase / (Decrease) in Trade and Other Payables	197.27	387.77
	Cash generated from Operations	131.28	1319.33
	Direct Taxes (Net)	(57.96)	(66.81)
	Net Cash from Operating Activities	73.32	1252.52
B. CASH FLOW FROM INVESTING ACTIVITIES:			
	Purchase of Property, Plant and Equipment	(192.28)	(70.63)
	Sale of Property, Plant and Equipment	20.61	26.62
	Investment in Subsidiary	(74.21)	-
	Purchase of Investments	-	(0.21)
	Redemption of Investments	25.00	-
	Deposit Accounts with Banks	(2.04)	3.49
	Interest Received	19.62	20.31
	Dividend Received	0.60	0.70
	Net Cash used in Investing Activities	(202.70)	(19.72)
C. CASH FLOW FROM FINANCING ACTIVITIES:			
	Proceeds / (Utilisation) from Short-term Borrowings (Net)	773.83	(780.38)
	Proceeds from Long-term Borrowings	418.45	398.07
	Repayment of Long-term Borrowings	(724.64)	(480.08)
	Payment of Lease Liabilities	(48.22)	(53.37)
	Finance Costs paid	(228.74)	(279.59)
	Dividend paid (including dividend tax)	(49.25)	(17.24)
	Net Cash from / (used in) Financing Activities	141.43	(1212.59)
	Net increase / (decrease) in Cash and Cash Equivalents	12.05	20.21
	Cash and Cash Equivalents as at the beginning of the year	41.11	20.90
	Cash and Cash Equivalents as at the end of the year	53.16	41.11



Cash Flow Statement for the year ended 31st March, 2022

Notes:

₹ in Crores (10 Million)

Sl. No.	Particulars	2021-2022	2020-2021
1.	Cash and Cash Equivalents Include:		
	- Cash, Cheques on hand and Remittances in transit	9.00	7.94
	- Balances with Banks	44.16	33.17
	Total	53.16	41.11

2. Non Cash Changes in liabilities arising from financing activities:

₹ in Crores (10 Million)

Particulars	As At 31.03.2021	Cash Flows	Non- Cash Changes		As At 31.03.2022
			Foreign Exchange Movement	Others	
Short-term Borrowings	748.25	773.83	5.19	-	1527.27
	(1528.13)	(-780.38)	(0.50)	-	(748.25)
Long-term Borrowings	1585.82	(306.19)	12.95	1.08	1293.66
	(1680.77)	(-82.01)	(-13.84)	(0.90)	(1585.82)
Lease Liabilities	137.35	(48.22)	-	7.19	96.32
	(185.48)	(-53.37)	-	(5.24)	(137.35)
Total Liabilities from Financing Activities	2471.42	419.42	18.14	8.27	2917.25
Previous Year	(3394.38)	(-915.76)	(-13.34)	(6.14)	(2471.42)

Figures in brackets represent amounts pertaining to previous year.

As per our report of even date

For S S KOTHARI MEHTA & COMPANY
Chartered Accountants

Firm Registration No. - 000756N

HARISH GUPTA

Partner

Membership No. - 098336

New Delhi, the 20th May, 2022

SANJEEV AGGARWAL
Chief Financial Officer

P. K. RUSTAGI

Company Secretary

Dr. Raghupati Singhania
Anshuman Singhania

Bharat Hari Singhania
Smt. Sunanda Singhania
Shreekant Somany
Kalpataru Tripathy
Bakul Jain
Smt. Meera Shankar
Arun K. Bajoria

Chairman & Managing Director
Managing Director

Directors

Independent Auditor's Report

To the Members of
JK Tyre & Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of **JK Tyre & Industries Limited** (herein referred to as "the Holding Company") and its subsidiaries (the Holding company and its subsidiaries together referred to as "the Group") and its associates, which comprise the Consolidated Balance Sheet as on 31st March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, the consolidated profit,

consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter

Recognition of Revenue

The Group recognizes revenue at the point in time when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. In determining the transaction price for the sale, the Group considers the effects of variable consideration and consideration receivable from the customer.

For the year ended 31st March, 2022, the Group's Statement of Profit & Loss included Sales of ₹11852.90 crores. Some terms of sales arrangements are governed by Incoterms, including the timing of transfer of control. The nature of rebates, discounts and sales returns, if any, involve judgment in determining sales revenues and revenue cut-off. The risk is, therefore, that revenue may not be recognized in the correct period or that revenue and associated profit is misstated.

Refer Note No. 27 of the Consolidated Financial Statements.

Auditor's Response

Principal Audit Procedures

- We performed process walkthrough to understand the adequacy and the design of the revenue cycle. We tested internal controls in the revenue and trade receivables over the accuracy and timing of revenue accounted in the financial statements.
- Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Group.
- We reviewed the revenue recognition policy applied by the Company to ensure its compliance with Ind-AS 115 requirements.
- We performed a detailed testing on transactions, ensuring revenues were recognized in the correct accounting period. We also tested journal entries recognized in revenue focusing on unusual or irregular transactions.
- We validated the appropriateness and completeness of the related disclosures in Note No. 27 of the Consolidated financial statements.



Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility & Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 consolidated financial statements.

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 consolidated financial statements, 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 financial controls 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 Group and its associates has adequate internal financial controls system 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 management.
- Conclude on the appropriateness of management's 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 ability of the Group and its associates 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 consolidated financial statements 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 Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditor. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the directions, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company, 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- We did not audit the financial statements of 14 subsidiaries (including 12 subsidiaries incorporated outside India) whose financial statements reflect total assets of ₹5791.25 crores as at 31st March, 2022, total revenue of ₹6069.50 crores, total net profit after tax of ₹17.58 crores, total comprehensive income of ₹19.76 crores and net cash outflow of ₹17.74 crores for the year ended on that date, as considered in the Consolidated financial statements. The Consolidated financial statements also include the Group's share of net profit after tax of ₹0.64 crore and total comprehensive income of ₹0.64 crore for the year ended 31st March, 2022, as considered in the Consolidated financial

statements, in respect of three associates whose financial statements have not been audited by us. These financial statements have been audited by other auditors, whose reports have been furnished to us by the Board of Directors and our opinion on the Consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the report of the other auditors.

- We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of ₹0.01 crore as at 31st March, 2022, total revenue - Nil, total net profit after tax - Nil, total comprehensive income - Nil as considered in the Consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Board of Directors and our opinion on the Consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of said subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.
- The Consolidated financial statements include the Group share of net profit after tax of ₹2.34 crores and total comprehensive income of ₹2.30 crores for the year ended 31st March, 2022, 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 Board of Directors 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 Board of Directors. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.
- The financial statements of an associate, namely, Hari Shankar Singhanian Elastomer and Tyre Research Institute has not been considered for consolidation as stated in Note No. 1.3(a)(ii) of the accompanying Consolidated financial statements.

Our opinion on the Consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and financial statements / financial information certified by the Board of Directors.

Report on Other Legal and Regulatory Requirements

- With respect to the matters specified in paragraphs 3(xxii) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of



Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and other auditors of companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

2. As required by Section 143(3) of the Act, we report that:

- I. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- II. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- III. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
- IV. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- V. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and its associates incorporated in India, none of the directors of the Group companies and its associates companies incorporated in India is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- VI. With respect to the adequacy of the internal financial controls with reference to financial statement and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company, its subsidiary companies and its associates incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control with reference to financial statement of those companies, for reasons stated therein.
- VII. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- VIII. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group and its associates. Refer Note No. 34, 35 and 39 to the consolidated financial statements.
 - ii. The Group and its associates have made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any; on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund ('IEPF') by the Holding Company. Further, there were no amount which were required to be transferred to the IEPF by the subsidiaries and its associates incorporated in India.
 - iv. (a) The respective managements of the Holding Company and its subsidiaries and Associates, incorporated within India, have represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the holding company and its subsidiaries and associates to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the holding company and its subsidiaries and associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective management of the Holding Company and its Subsidiaries and Associates, incorporated within India, has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company and its subsidiaries and associates from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its Subsidiaries and Associates shall, whether,

directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances and based on audit reports of other auditors, nothing has come to our notice that causes us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note No. 48 to the consolidated financial statements and based on review of the reports of other auditors:
 - (a) The final dividend proposed in the previous year, declared and paid by the Holding

Company during the year is in accordance with Section 123 of the Act, as applicable.

- (b) The Board of Directors of the Holding company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

The subsidiaries and associates have neither declared nor paid any dividend during the year.

For **S S KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm's Registration Number: 000756N

HARISH GUPTA
Partner

Membership Number: 098336

New Delhi, the 20th May, 2022



Annexure 'A' to the Independent Auditor's Report of even date on the Consolidated financial statements of JK Tyre & Industries Limited

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JK Tyre & Industries Limited of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated financial statements of the company as of and for the year ended 31st March, 2022, we have audited the internal financial controls with reference to financial statements of **JK Tyre & Industries Limited** ("the Holding Company") and its subsidiary companies and its associates company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary Companies and its associates which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with

reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary Companies and its associate Companies, which are incorporated in India, have maintained, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2022, based on the internal control with reference to financial statements criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial

controls with reference to financial statements in so far as it relates to two subsidiaries and two associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For **S S KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm's Registration Number: 000756N

HARISH GUPTA
Partner
Membership Number: 098336

New Delhi, the 20th May, 2022



Consolidated Balance Sheet as at 31st March, 2022

₹ in Crores (10 Million)			
	Note No.	As at 31.03.2022	As at 31.03.2021
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	2	6197.97	6018.94
(b) Capital Work-in-progress		100.56	286.42
(c) Investment Property	3	5.63	5.73
(d) Other Intangible Assets	4	225.40	217.71
(e) Intangible Assets under Development		5.67	12.70
(f) Financial Assets			
- Investments accounted using Equity Method	5	61.84	59.91
- Other Investments	6	70.91	87.11
- Other Financial Assets	7	137.62	141.33
(g) Deferred Tax Assets (Net)	8	86.92	46.25
(h) Other Non-current Assets	9	21.26	18.59
		6913.78	6894.69
(2) Current Assets			
(a) Inventories	10	2432.62	1789.29
(b) Financial Assets			
- Trade Receivables	11	1979.86	1575.42
- Cash and Cash Equivalents	12	94.05	88.66
- Other Bank Balances	13	81.60	85.13
- Other Financial Assets	14	208.84	136.01
(c) Current Tax Assets (Net)	15	79.93	83.26
(d) Other Current Assets	16	456.97	334.23
		5333.87	4092.00
		12247.65	10986.69
TOTAL ASSETS			
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	SOCE - I	49.25	49.25
(b) Other Equity	SOCE - II	2799.06	2623.49
Equity Attributable to Owners of the Parent		2848.31	2672.74
(c) Non-controlling Interest	SOCE - II	99.16	106.29
		2947.47	2779.03
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
- Borrowings	17	2475.93	2860.74
- Lease Liabilities		65.00	93.98
- Other Financial Liabilities	18	636.38	612.06
(b) Provisions	19	119.85	103.88
(c) Deferred Tax Liabilities (Net)	20	405.12	368.31
		3702.28	4038.97
(2) Current Liabilities			
(a) Financial Liabilities			
- Borrowings	21	2639.27	1795.75
- Lease Liabilities		40.18	50.23
- Trade Payables			
Micro and Small Enterprises	22	49.00	36.18
Others	22	2139.52	1537.89
- Other Financial Liabilities	23	396.40	507.91
(b) Other Current Liabilities	24	279.31	231.33
(c) Provisions	25	17.42	7.83
(d) Current Tax Liabilities (Net)	26	36.80	1.57
		5597.90	4168.69
		12247.65	10986.69
TOTAL EQUITY AND LIABILITIES			
Group Overview, Basis of preparation and Significant Accounting Policies.	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S S KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm Registration No. - 000756N

HARISH GUPTA
Partner
Membership No. - 098336
New Delhi, the 20th May, 2022

SANJEEV AGGARWAL
Chief Financial Officer

P. K. RUSTAGI
Company Secretary

Dr. Raghupati Singhania
Anshuman Singhania

Bharat Hari Singhania
Smt. Sunanda Singhania
Shreekant Somany
Kalpataru Tripathy
Bakul Jain
Smt. Meera Shankar
Arun K. Bajoria

Chairman & Managing Director
Managing Director

Directors

Consolidated Statement of Profit & Loss for the year ended 31st March, 2022

₹ in Crores (10 Million)			
	Note No.	2021-2022	2020-2021
I. Revenue from Operations	27	11982.96	9102.20
II. Other Income	28	36.56	43.07
III. Total Income (I+II)		12019.52	9145.27
IV. Expenses			
Cost of Materials Consumed		8169.60	5246.89
Purchases of Stock-in-Trade		220.64	117.96
(Increase) / Decrease in Inventories of Finished Goods, Work-in-progress and Stock-in-trade		(350.95)	103.85
Employee Benefits Expense	29	1065.35	922.74
Finance Costs	30	419.09	465.85
Depreciation and Amortisation Expense		385.36	386.69
Other Expenses	31	1805.02	1404.42
Total Expenses (IV)		11714.11	8648.40
V. Profit before Interest, Depreciation & Tax (PBITD)		1109.86	1349.41
VI. Profit / (loss) before Exceptional Items and Tax (III-IV)		305.41	496.87
VII. Exceptional Items	41	3.60	37.48
VIII. Profit / (Loss) before Tax (VI+VII)		309.01	534.35
IX. Tax Expense			
(1) Current Tax		160.21	140.06
(2) Deferred Tax		(51.50)	60.85
X. Profit / (Loss) after Tax (VIII-IX)		200.30	333.44
XI. Share in Profit / (Loss) of Associates		0.94	(2.51)
XII. Profit / (Loss) for the year (X+XI)		201.24	330.93
XIII. Profit / (loss) for the year attributable to:			
Owners of the Parent		210.02	319.34
Non-controlling Interest		(8.78)	11.59
XIV. Other Comprehensive Income			
(A) Items that will not be reclassified to Profit or Loss:			
Re-measurement losses on Defined Benefit Plans		(6.23)	(6.07)
Share of Other Comprehensive Income in Associates		-	(0.02)
Income Tax Relating to Items that will not be reclassified to Profit or Loss		2.33	2.07
(B) Items that will be reclassified to Profit or Loss:			
Exchange Differences on Translating the Financial Statements of Foreign Operations		18.27	39.66
Total Other Comprehensive Income		14.37	35.64
XV. Total Comprehensive Income for the year (XII+XIV)		215.61	366.57
XVI. Other Comprehensive Income for the year attributable to:			
Owners of the Parent		14.36	35.65
Non-controlling Interest		0.01	(0.01)
XVII. Total Comprehensive Income for the year attributable to:			
Owners of the Parent		224.38	354.99
Non-controlling Interest		(8.77)	11.58
XVIII. Earnings per equity share of ₹2 each			
Basic / Diluted (₹)	43	8.53	12.97

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S S KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm Registration No. - 000756N

HARISH GUPTA
Partner
Membership No. - 098336
New Delhi, the 20th May, 2022

SANJEEV AGGARWAL
Chief Financial Officer

P. K. RUSTAGI
Company Secretary

Dr. Raghupati Singhania
Anshuman Singhania

Bharat Hari Singhania
Smt. Sunanda Singhania
Shreekant Somany
Kalpataru Tripathy
Bakul Jain
Smt. Meera Shankar
Arun K. Bajoria

Chairman & Managing Director
Managing Director

Directors



Consolidated Statement of Changes in Equity (SOCE)

for the year ended 31st March, 2022

I. Equity Share Capital

(1) Current reporting period

₹ in Crores (10 Million)				
As at 01.04.2021	Change due to prior period errors	Restated Balance as at 01.04.2021	Change during the Current Year	As at 31.03.2022
49.25	-	49.25	-	49.25

(2) Previous reporting period

As at 01.04.2020	Change due to prior period errors	Restated Balance as at 01.04.2020	Change during the Previous Year	As at 31.3.2021
49.25	-	49.25	-	49.25

a. Shareholding of Promoters:

Shares held by promoters at the end of 31.03.2022

S. No.	Promoter Name*	No. of Shares	% of total shares	% Change during FY 2021-2022
1	Bengal & Assam Company Ltd	13,00,03,250	52.80	-
2	Shri Bharat Hari Singhania	10,94,723	0.44	-
3	Dr. Raghupati Singhania	16,43,990	0.67	-
TOTAL*		13,27,41,963	53.91	-

* In addition, as on 31st March 2022 and 31st March 2021, there are 17 entities holding 57,83,092 Equity Shares (2.35%) and 57,08,092 Equity Shares (2.32%), respectively, who are constituents of the Promoter Group as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

S. No.	Promoter Name**	No. of Shares	% of total shares	% Change during FY 2020-2021
1	Bengal & Assam Company Ltd	13,00,03,250	52.80	(0.47)
2	Shri Bharat Hari Singhania	10,94,723	0.44	0.07
3	Dr. Raghupati Singhania	16,43,990	0.67	0.08
TOTAL**		13,27,41,963	53.91	(0.32)

** In addition, as on 31st March 2021 and 31st March 2020, there are 17 entities holding 57,08,092 Equity Shares (2.32%) and 49,09,490 Equity Shares (1.99%), respectively, who are constituents of the Promoter Group as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

II. Other Equity

(1) Current reporting period

₹ in Crores (10 Million)											
Particulars	Reserves & Surplus							Total Attributable to Owners of the Parent	Attributable to Non-controlling Interests (NCI)	Total	
	Securities Premium	Capital Reserve	Capital Redemption Reserve	Legal Reserve	General Reserve	Retained Earnings					Other Comprehensive Income
						Surplus in P/L Statement	Re-measurement losses on defined benefit plans				
As at 1st April, 2021	455.92	30.19	7.00	9.82	895.18	1329.57	(88.96)	(15.23)	2623.49	106.29	2729.78
Profit for the year						210.02			210.02	(8.78)	201.24
Other Comprehensive Income (Net of Taxes)							(3.91)	18.27	14.36	0.01	14.37
Cash Dividends						(49.25)			(49.25)		(49.25)
Reinstatement Gain / (Loss) of Reserve on Consolidation		1.93							1.93		1.93
Changes in NCI consequent upon increase in Parent's Holding					(1.49)				(1.49)	1.64	0.15
As at 31st March, 2022	455.92	32.12	7.00	9.82	893.69	1490.34	(92.87)	3.04	2799.06	99.16	2898.22

Consolidated Statement of Changes in Equity (SOCE)

for the year ended 31st March, 2022

(2) Previous reporting period

₹ in Crores (10 Million)											
Particulars	Reserve & Surplus							Total Attributable to Owners of the Parent	Attributable to Non-controlling Interests (NCI)	Total	
	Securities Premium	Capital Reserve	Capital Redemption Reserve	Legal Reserve	General Reserve	Retained Earnings					Other Comprehensive Income
						Surplus in P/L Statement	Re-measurement losses on defined benefit plans				
As at 1st April, 2020	455.92	26.55	7.00	9.82	895.18	1027.47	(84.95)	(54.89)	2282.10	94.71	2376.81
Profit for the year						319.34			319.34	11.59	330.93
Other Comprehensive Income (Net of Taxes)							(4.01)	39.66	35.65	(0.01)	35.64
Cash Dividends						(17.24)			(17.24)		(17.24)
Reinstatement Gain / (Loss) of Reserve on Consolidation		3.64							3.64		3.64
As at 31st March, 2021	455.92	30.19	7.00	9.82	895.18	1329.57	(88.96)	(15.23)	2623.49	106.29	2729.78

Component of equity

Securities Premium

Capital Reserve

Capital Redemption Reserve

Legal Reserve

General Reserve

As per our report of even date

Nature and Purpose

Represents amounts received in excess of face value on issue of equity shares which may be utilised for purposes specified u/s 52(2) of the Companies Act, 2013.

Represents Capital Reserve on Consolidation.

Represents the statutory reserve created at the time of redemption of Preference Share Capital, which can be applied for issuing fully paid-up bonus shares.

Represents the statutory reserve created in Subsidiaries, registered in Mexico, out of the current year profits upto a prescribed limit.

Represents accumulated profits set apart by way of transfer from current year Profits or / and Surplus in P/L Statement comprised in Retained Earnings for 'other than specified purposes'.

For S S KOTHARI MEHTA & COMPANY

Chartered Accountants

Firm Registration No. - 000756N

HARISH GUPTA

Partner

Membership No. - 098336

New Delhi, the 20th May, 2022SANJEEV AGGARWAL
Chief Financial OfficerP. K. RUSTAGI
Company SecretaryDr. Raghupati Singhania
Anshuman SinghaniaChairman & Managing Director
Managing DirectorBharat Hari Singhania
Smt. Sunanda Singhania
Shreekant Somany
Kalpataru Tripathy
Bakul Jain
Smt. Meera Shankar
Arun K. Bajoria

Directors



Notes to the consolidated financial statements

Note – 1 Group Overview, Basis of Preparation and Significant Accounting Policies

1.1. The Group overview:

The Group, JK Tyre & Industries Limited (JKTIL) and its subsidiaries, majorly develops, manufactures, markets and distributes automotive Tyres, Tubes, Flaps and Retreads. The Group markets its tyres for sale to vehicle manufacturers for fitment in original equipment and for sale in replacement markets worldwide. The Group has manufacturing plants located in India and Mexico with worldwide distribution.

These Consolidated financial statements were approved and adopted by board of directors of the Company in their meeting held on 20th May, 2022.

1.2. Basis of preparation and measurement of Consolidated financial statements:

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time and other relevant provisions of the Companies Act, 2013. All accounting policies and applicable Ind AS have been applied consistently for all periods presented.

The Consolidated financial statements have been prepared under historical cost convention on accrual basis, except for the items that have been measured at fair value as required by relevant Ind AS. The Consolidated financial statements correspond to the classification provisions contained in Ind AS-1 (Presentation of Financial Statements).

The preparation of these Consolidated financial statements requires management judgements, estimates and assumptions that affect the application of accounting policies, the accounting disclosures made and the reported amounts of assets, liabilities, income, and expenses. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are made in the period, in which, the estimates are revised and in any future periods, effected pursuant to such revision.

1.3. Principles of Consolidation:

- The Consolidated Financial Statements comprise of the financial statements of JK Tyre & Industries Limited (Parent Company) and the following as on 31.03.2022:
- Subsidiaries:** The Control in subsidiary is gained when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights, it considers all relevant facts and circumstances in assessing the control including the contractual arrangements, potential voting rights, right to direct relevant activities of entity.

Name	Proportion of Ownership Interest	
	As on 31.03.2022	As on 31.03.2021
J. K. International Ltd., U.K.	100.00%	100.00%
J. K. Asia Pacific Ltd., Hong Kong	100.00%	100.00%
J. K. Asia Pacific (S) Pte Ltd., Singapore	100.00%	100.00%
Lankros Holdings Ltd., Cyprus	100.00%	100.00%
Sarvi Holdings Switzerland AG., Switzerland	100.00%	100.00%
JK Tornel S.A. de C.V., Mexico (JKTSA)	99.98%	99.98%
Comercializadora América Universal, S.A. de C.V., Mexico	99.98%	99.98%
Compañía Hulera Tacuba, S.A. de C.V., Mexico	99.98%	99.98%
Compañía Hulera Tornel, S.A. de C.V., Mexico (CHT)	99.98%	99.98%
Compañía Inmobiliaria Norida, S.A. de C.V., Mexico	99.98%	99.98%
General de Inmuebles Industriales, S.A. de C.V., Mexico	99.98%	99.98%
Gintor Administración, S.A. de C.V., Mexico	99.98%	99.98%
Hules y Procesos Tornel, S.A. de C.V., Mexico	99.98%	99.98%
3DInnovations Pvt. Ltd.	100.00%	100.00%
Cavendish Industries Ltd., India (CIL)	87.48%	86.41%

- Associates:** An associate is entity over which the Company or its subsidiaries has significant influence, i.e. the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

Notes to the consolidated financial statements

The Associates, where the Company holds directly or indirectly through subsidiaries 20% or more equity or / and exercises significant influence, are as follows:

Name	Status	Ownership Interest
Valiant Pacific LLC., UAE	Audited	49.00%
Dwarkesh Energy Limited, India	Audited	35.00%
Western Tire Holdings, Inc., USA	Unaudited	40.00%
Treel Mobility Solutions Pvt. Ltd., India	Audited	26.00%
Hari Shankar Singhania Elastomer and Tyre Research Institute (HASETRI)*	Audited	24.00%

* Approved Scientific and Research Institute, which cannot be consolidated as the equity of the said Institute is not available for distribution to its members.

- The Financial Statements of the parent company and its subsidiaries have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating Intra-group balances, Intra-group transactions and unrealised profits or losses in accordance with Ind AS 110 – “Consolidated Financial Statements”. The deferred tax to be recognised for temporary differences arises from elimination of profits and losses resulting from intra group transactions.
- Non-controlling Interest represents the equity in a subsidiary not attributable, directly or indirectly to a Parent. Non-controlling interest in the net assets of the subsidiaries being consolidated is identified and presented in the consolidated Balance Sheet separately from the equity attributable to the Parent’s shareholders and liabilities. Profit or loss and each component of other comprehensive income are attributed to Parent and to the non-controlling interest. Impact of any insignificant and immaterial Non-controlling Interest is not considered.
- The changes in the Company’s interest in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Company’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity attributed to owners of the Parent.

- In case of associates, where the Company holds directly or indirectly through subsidiaries 20% or more equity or / and exercises significant influence, Investments are accounted for by using equity method in accordance with Ind AS 28 – “Investments in Associates and Joint Ventures”.
- Post-acquisition, the Company accounts for its share in the change in net assets of the associates (after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share), through its statement of profit and loss, other comprehensive income and through its reserves for the balance.
- The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries and associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be. However, for associates, Goodwill is not separately recognised but included in the value of investments.
- The accounts of J. K. International Ltd. and Western Tire Holdings, Inc. are exempt from Audit.
- The Accounting Policies of the parent company, its subsidiaries and associates are largely similar. However, few accounting policies are different as certain subsidiaries / associates located in different countries have to comply with the local regulatory requirements.
- In case of foreign subsidiaries, revenue items are consolidated at the average exchange rate during the year. All assets and liabilities are translated at year end exchange rate. The resulting exchange differences are recognised as Other Comprehensive Income / (Loss) and disclosed accordingly.
- Significant Accounting Policies and Notes accompanying to the financial statements of the Company and its subsidiaries are set out in their respective Financial Statements.

1.4. Significant accounting policies:

(i) Property, plant and equipment:

- Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Expenditure during construction / erection period is included under capital work-in-progress and



Notes to the consolidated financial statements

is allocated to the respective property, plant and equipment on completion of construction / erection.

- b) Depreciation on property, plant and equipment (including Continuous Process Plants considered on technical evaluation) has been provided using Straight line method over their useful lives and in the manner prescribed under laws of respective countries. However, in respect of certain property, plant and equipment, depreciation is provided as per their useful lives as assessed by the management supported by technical advice ranging from 15 to 35 years for plant and machinery and 15 to 70 years for buildings. Accelerated depreciation in respect of a production accessory is provided over 6 years.

The carrying amount is eliminated from the financial statements, upon sale and disposition of the assets and the resultant gains or losses are recognised in the statement of profit and loss.

(ii) Investment property:

Investment properties are measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on Investment property has been provided using straight line method over their useful lives and in the manner prescribed under laws of respective countries.

The carrying amount is eliminated from the financial statements, upon sale, disposition and withdrawal from permanent use of the assets and when no future economic benefits are expected from its disposal. The resultant gains or losses are recognised in the Statement of Profit and Loss.

(iii) Intangible assets:

Intangible Assets are recognised, if the future economic benefits attributable to the assets are expected to flow to the company and cost of the asset can be measured reliably. The same are amortised over the expected duration of benefits using straight line method. Such intangible assets are measured at cost less any accumulated amortization and impairment losses, if any.

Revenue Expenditure on Research and Development is charged to Statement of Profit and Loss and Capital Expenditure is added to Property, plant and equipment.

Expenditure incurred on intangible asset which are under development is included under Intangible Assets under Development.

The carrying amount is eliminated from the financial statements, upon sale, disposition and withdrawal from

permanent use of the assets and when no future economic benefits are expected from its disposal. The resultant gains or losses are recognised in the Statement of Profit and Loss.

(iv) Lease:

- a) The Company, as a lessee, at the inception of contract, assesses whether the contract is a lease or not. If yes, the contract conveys in favour of the Company, the right to control the use of an identified asset for a period of time in exchange for consideration.

The right-of-use assets are initially recognized at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. In the Balance Sheet, Right-of-use Asset are presented under respective items of Property, Plant and Equipment or Investment Property, as the case may be. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the Lessee. In addition, the carrying amount of lease liabilities and right-of-use assets are re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

- b) Depreciation on Right-of-use Asset has been provided using Straight line method over their useful lives or lease period, whichever is lower. Interest Expense on Lease Liabilities are provided using discount rate used to determine Lease Liabilities. Depreciation and Interest expenses are recognised in the Statement of Profit and Loss.
- c) For short-term leases and leases for which, the underlying asset value is low, right-of-use assets and lease liabilities are not recognised. The lease payments associated with these leases are recognised as expense over the lease term.
- d) The Company, as a lessor, recognises lease payments from operating leases as income on straight-line basis over the lease term. The Company has recognised costs, including depreciation, incurred in earning the lease income as an expense.

Notes to the consolidated financial statements

(v) Foreign currency transactions and translation:

The functional currency of the company is Indian rupee (₹). Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies as at the Balance Sheet date are translated at exchange rate prevailing at the year end. Exchange differences arising on actual payments / realisations and year end translations including on forward contracts are dealt with in Profit and Loss Statement. Non-Monetary Foreign Currency items are stated at cost.

(vi) Inventories:

Inventories are valued at lower of cost and net realisable value. However, materials and other supplies held for use in production of inventories are not written down below cost, if the finished goods are expected to be sold at or above cost. The cost is computed on weighted average basis. Finished Goods, Traded Goods and Process Stock include cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Slow-moving and obsolete items based upon technical evaluation are provided for.

(vii) Borrowing cost:

Borrowing Cost is charged to Statement of Profit and Loss except meant for acquisition of qualifying assets, which is capitalised, using the effective interest method till the date of commercial use.

(viii) Employee benefit:

Employee benefits include wages & salaries, provident fund, superannuation fund, employee state insurance scheme, gratuity fund and compensated absences, etc.

(a) Defined-contribution plans

Contributions to the employees' regional provident fund, superannuation fund, Employees' Pension Scheme and Employees' State Insurance are recognised as defined contribution plan and charged as expenses during the period in which the employees perform the services.

(b) Defined-benefit plans

Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit plan and determined on actuarial valuation using the Projected Unit Credit Method at the balance sheet date. Actuarial Gains or Losses through re-measurement of the net obligation of a defined

benefit liability or asset is recognised in Other Comprehensive Income. Such re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

The Provident Fund Contribution other than contribution to Employees' Regional Provident Fund, is made to trust administered by the trustees. The interest rate to the members of the trust shall not be lower than the statutory rate declared by the Central Government under Employees' Provident Fund and Miscellaneous Provision Act, 1952, wherever applicable. The Employer shall make good deficiency, if any.

(c) Short term employee benefits

Short term benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

(ix) Income tax:

Income tax is comprised of current and deferred tax. Income tax expense is recognised in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in other comprehensive income.

- (a) Current tax:** Current Tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of applicable laws of different countries.

- (b) Deferred tax:** Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent, it is probable that taxable income will be available against which the same can be realised. Deferred tax assets are reviewed at the end of each subsequent reporting period.

The Company does not recognize deferred tax liability with respect to undistributed retained earnings of subsidiaries and associate and foreign currency translation difference, comprised in Other Comprehensive Income, recognised on consolidation of foreign subsidiaries and associates as the Company controls the timing of distribution of profits and it is probable that the subsidiaries will not distribute the profits in the foreseeable future.

- (c) Minimum Alternate Tax (MAT) Credit:** MAT credit is recognized when there is convincing evidence that



Notes to the consolidated financial statements

the Company will pay normal income tax during the specified period. It is reviewed at the end of each subsequent reporting period.

(x) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period after taking into account the risks and uncertainties surrounding the obligation.

Contingent Liabilities and Assets:

Contingent liabilities are disclosed after evaluation of facts, uncertainties and possibility of reimbursement. Contingent liabilities are not recognised but are disclosed in the notes.

Contingent assets are not recognised in financial statements but are disclosed, since the former treatment may result in the recognition of income that may or may not be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

(xi) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Financial assets include cash and cash equivalents, trade and other receivables, investments in securities and other eligible current and non-current assets.

At initial recognition, all financial assets are measured at fair value. Such financial assets are subsequently classified under one of the following three categories according to the purpose for which they are held. The classification is reviewed at the end of each reporting period.

- Financial assets at amortised cost: At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently

measured at amortised cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortisation is included as interest income in the profit or loss on time proportionate basis. The losses arising from impairment are recognised in the profit or loss.

- Financial assets at fair value through other comprehensive income: At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in Other Comprehensive Income (OCI). Interest income calculated using the effective interest rate (EIR) method on time proportionate basis, impairment loss or gain and foreign exchange loss or gain are recognised in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.
- Financial assets at fair value through profit or loss: At the date of initial recognition, financial assets are held for trading, designated financial assets to be valued through profit or loss or which are measured neither at Amortised Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in the Statement of Profit and Loss. Dividend income on equity shares is recognised when the right to receive payment is established, which becomes certain after shareholders' approval. Interest and Dividend Income as well as fair value changes are disclosed separately in the Statement of Profit & Loss.

Investment in Equity shares of associates are valued using Equity method as stated in clause 1.3(e).

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. Upon derecognition the difference between the carrying amount of a financial asset derecognised and the sum of the consideration received and

Notes to the consolidated financial statements

receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss.

The company assesses impairment based on the expected credit losses (ECL) model to all its financial assets measured at amortised cost. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that entity expects to receive (i.e. all cash shortfalls) discounted at original effective interest rate. Impairment loss allowance (or reversal) for the period is recognised in the Statement of Profit and Loss.

(b) Financial liabilities

Financial liabilities include long-term and short-term loans and borrowings, trade and other payables and other eligible current and non-current liabilities.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and other payables, net of directly attributable transaction costs. After initial recognition, financial liabilities are classified under one of the following two categories:

- Financial liabilities at amortised cost: After initial recognition, such financial liabilities are subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial liability. The EIR amortisation is included in finance expense in the Statement of Profit or Loss.
- Financial liabilities at fair value through profit or loss: which are designated as such on initial recognition, or which are held for trading. Fair value gains / losses attributable to changes in own credit risk is recognised in OCI. These gains / losses are not subsequently transferred to Statement of Profit and Loss. All other changes in fair value of such liabilities are recognised in the Statement of Profit and Loss.

The Company derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability derecognised and the sum of consideration paid and payable is recognised in Statement of Profit and Loss as other income or finance costs / other expenses.

(xii) Derivative financial instruments:

Derivative instruments such as forward currency contracts, interest rate swaps and option contracts are used to hedge foreign currency risks and interest rate risk. Such derivatives are initially recognised at their fair values on the date on which a derivative contract is entered into and are subsequently re-measured at fair value on each reporting date. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(xiii) Revenue:

Revenue is recognised upon transfer of control of promised goods or services to customers at transaction price (net of taxes and duties), arrived at by determining the fair value of the consideration received or receivable after adjusting returns, allowances, trade discounts, volume discounts etc. in exchange of goods or services.

For applying above principle, the Company adopts five step model, which are: a) Identify the contract(s) with customer(s); b) Identify the performance obligations under the contract(s); c) Determine the transaction price; d) Allocate the transaction price to the performance obligations in the contract(s); e) recognise revenue, when or as the entity satisfies a performance obligation.

Contract Liabilities are recognised when there is an entity's obligation to transfer goods or services to a customer for which, the entity has received consideration from the customer. Revenue in excess of invoicing are classified as contract assets.

Sale of Goods:

Revenue from the sale of goods is recognised at the point in time, when control is transferred to the customer.

Interest Income:

Interest income is recognized on time proportion basis using the effective interest method.

Dividend income:

Dividend income is recognized when the right to receive payment is established, which becomes certain after shareholders' approval.

(xiv) Grants:

Grants and subsidies from the Government are recognised when there is reasonable assurance that the grant /



Notes to the consolidated financial statements

subsidy will be received and all attaching conditions will be complied with. Revenue Grants are recognised in the Statement of Profit and Loss. Capital Grants relating to specific assets are recognised in the Balance Sheet by deducting the grant from carrying amount of the asset and depreciation is charged on reduced carrying value of asset.

Export incentives are recognised in the Statement of Profit and Loss.

(xv) Impairment:

The carrying amounts of Property, plant and equipment, Intangible assets, Investment property and Investments are reviewed at each Balance Sheet date to assess impairment if any, based on internal / external factors. An asset is treated as impaired, when the carrying cost of asset exceeds its recoverable value, being higher of value in use and net selling price. An impairment loss is recognised as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed, if there has been an improvement in recoverable amount.

(xvi) Earnings per share (EPS):

Basic earnings per share is calculated by dividing the profit or loss for the period attributable to the equity holders of the company by the weighted average number of ordinary shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xvii) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and at bank, Cheques on hand and Remittances in transit for the purpose of meeting short-term cash commitments.

(xviii) Business Combination:

Business Combinations are accounted for using the acquisition method. The cost of acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Company in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the recognition criteria are stated at their fair values at the acquisition date except certain assets and liabilities required to be measured as per the applicable standard.

The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling shareholders' proportionate share of the acquiree's identifiable net assets.

Notes to the consolidated financial statements

Note - 2 Property, Plant and Equipment

Particulars	Gross Value					Depreciation / Amortisation					Net Value	
	As at 31.03.2021	Additions / Adjustment [^]	Sales / Adjustments	Translation Adjustment @	As at 31.03.2022	Upto 31.03.2021	For the year	Sales / Adjustments	Translation Adjustment@	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
Land:												
- Freehold [#]	577.49	-	-	(7.78)	585.27	-	-	-	-	-	585.27	577.49
	(556.03)	(6.83)	-	(-14.63)	(577.49)	-	-	-	-	-	(577.49)	(556.03)
- Leasehold -Right of use [§]	10.96	-	-	-	10.96	2.52	0.12	-	-	2.64	8.32	8.44
	(10.96)	-	-	-	(10.96)	(2.39)	(0.13)	-	-	(2.52)	(8.44)	(8.57)
Buildings:												
- Owned*	1201.78	5.02	-	(7.99)	1214.79	321.01	23.51	-	(5.74)	350.26	864.53	880.77
	(1186.44)	(0.68)	(0.40)	(-15.06)	(1201.78)	(287.59)	(23.50)	-	(-9.92)	(321.01)	(880.77)	(898.85)
- On Lease-Right of Use [§]	70.17	10.73	4.23	(0.01)	76.68	24.07	13.02	3.14	-	33.95	42.73	46.10
	(59.62)	(16.54)	(6.02)	(-0.03)	(70.17)	(13.11)	(12.79)	(1.83)	-	(24.07)	(46.10)	(46.51)
Plant & Equipments:												
- Owned	7547.67	506.90	22.80	(36.74)	8068.51	3166.49	280.49	17.90	(30.23)	3459.31	4609.20	4381.18
	(7325.03)	(171.99)	(16.35)	(-67.00)	(7547.67)	(2836.90)	(285.18)	(8.90)	(-53.31)	(3166.49)	(4381.18)	(4488.13)
- On Lease-Right of Use [§]	178.21	2.28	47.17	-	133.32	84.73	43.07	47.17	-	80.63	52.69	93.48
	(178.21)	-	-	-	(178.21)	(42.08)	(42.65)	-	-	(84.73)	(93.48)	(136.13)
Furniture and Fixtures	30.85	2.63	0.14	(0.50)	33.84	23.23	1.42	0.13	(0.38)	24.90	8.94	7.62
	(29.62)	(0.48)	-	(-0.75)	(30.85)	(20.98)	(1.56)	-	(-0.69)	(23.23)	(7.62)	(8.64)
Office Equipments	35.37	4.15	0.25	(0.93)	40.20	30.70	1.43	0.24	(0.78)	32.67	7.53	4.67
	(33.27)	(0.83)	(0.24)	(-1.51)	(35.37)	(27.04)	(2.51)	(0.22)	(-1.37)	(30.70)	(4.67)	(6.23)
Vehicles:												
- Owned	39.08	5.47	4.42	(0.33)	40.46	20.21	3.91	2.68	(0.26)	21.70	18.76	18.87
	(39.43)	(2.55)	(3.24)	(-0.34)	(39.08)	(17.71)	(4.04)	(1.90)	(-0.36)	(20.21)	(18.87)	(21.72)
- On Lease-Right of Use [§]	0.50	-	-	(0.04)	0.54	0.18	0.33	-	(0.03)	0.54	-	0.32
	(0.38)	(0.06)	-	(-0.06)	(0.50)	(0.09)	(0.08)	-	(-0.01)	(0.18)	(0.32)	(0.29)
TOTAL	9692.08	537.18	79.01	(54.32)	10204.57	3673.14	367.30	71.26	(37.42)	4006.60	6197.97	6018.94
Previous Year	(9418.99)	(199.96)	(26.25)	(-99.38)	(9692.08)	(3247.89)	(372.44)	(12.85)	(-65.66)	(3673.14)	(6018.94)	(6171.10)

Figures in Brackets represent amounts pertaining to previous year.

In accordance with the option given under Ind AS, the Property, plant and equipment as on 01.04.2015 were recognised at the carrying value of previous GAAP as deemed cost.

[^] Unamortised forex reinstatement as on 31.03.2022: ₹103.02 crores (Previous Year: ₹109.04 crores).

[@] Represents translation adjustments arising on consolidation of foreign subsidiaries.

[#] As at 31st March 2022, title deed of 4.75 acres of land amounting to ₹2.32 crores (Previous year: ₹2.32 crores) is yet to be executed in favour of the subsidiary.

^{*} Buildings include 32 shares held in co-operative housing societies.

[§] Refer Note No. 37.

The Company has not revalued any Property, Plant & Equipment during the year.

For security against borrowings - refer Note No. 17.



Notes to the consolidated financial statements

Note - 3 Investment Property

Particulars	Gross Value					Depreciation					Net Value	
	As at 31.03.2021	Additions	Sales / Adjustments	Translation Adjustment	As at 31.03.2022	Upto 31.03.2021	For the year	Sales / Adjustments	Translation Adjustment	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
	Building	6.53	-	-	-	6.53	0.80	0.10	-	-	0.90	5.63
	(6.53)	-	-	-	(6.53)	(0.70)	(0.10)	-	-	(0.80)	(5.73)	(5.83)

Figures in Brackets represent amounts pertaining to previous year.

Rental Income: ₹0.12 crore (Previous Year: ₹0.09 crore). No material expenses were incurred for maintenance.

Note - 4 Other Intangible Assets

Particulars	Gross Value					Amortisation					Net Value	
	As at 31.03.2021	Additions / Adjustments	Sales / Adjustments	Translation Adjustment [®]	As at 31.03.2022	Upto 31.03.2021	For the year	Sales / Adjustments	Translation Adjustment [®]	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
	Computer Software [#]	22.30	12.19	-	(0.37)	34.86	20.07	4.57	-	(0.12)	24.76	10.10
	(22.03)	(0.27)	-	-	(22.30)	(18.47)	(1.60)	-	-	(20.07)	(2.23)	(3.56)
Industrial Commercial Benefit [*]	261.19	-	-	(16.61)	277.80	45.71	13.39	-	(3.40)	62.50	215.30	215.48
	(229.92)	-	-	(-31.27)	(261.19)	(28.74)	(12.55)	-	(-4.42)	(45.71)	(215.48)	(201.18)
TOTAL	283.49	12.19	-	(16.98)	312.66	65.78	17.96	-	(3.52)	87.26	225.40	217.71
Previous Year	(251.95)	(0.27)	-	(-31.27)	(283.49)	(47.21)	(14.15)	-	(-4.42)	(65.78)	(217.71)	(204.74)

Figures in Brackets represent amounts pertaining to previous year.

[®] Represents translation adjustments arising on consolidation of foreign subsidiaries.

[#] Being amortised over a period of 3 or 5 years.

^{*} Being amortised over a period of 20 years.

Note - 5 Investments Accounted Using Equity Method [Non-Current]

	As at 31.03.2022		As at 31.03.2021	
	Numbers	₹ in Crores (10 Million)	Numbers	₹ in Crores (10 Million)
Associate Companies:				
Dwarkesh Energy Ltd.				
- Equity Investment - At Cost (₹10 each)	3,50,000	0.35	3,50,000	0.35
- Share in Net Assets		0.03		0.03
Valiant Pacific LLC				
- Equity Investment - At Cost (AED 1000 each)	147	0.21	147	0.21
- Share in Net Assets		55.09		52.89
Western Tire Holdings, Inc [*]				
- Equity Investment - At Cost (USD 1 each): (₹26204; Previous year: ₹26204)	400		400	
- Share in Net Assets: (₹-26204; Previous year: ₹-26204)				
Treel Mobility Solutions Pvt. Ltd. ^{**}				
- Equity Investment - At Cost (₹10 each)	3,737	6.30	3,737	6.30
- Share in Net Assets		(0.14)		0.13
		61.84		59.91

^{*} Carrying amount of investment in associates includes ₹0.27 crore (Previous year: ₹0.27 crore) towards Goodwill.

^{**} Carrying amount of investment in associates includes ₹4.81 crores (Previous year: ₹4.81 crores) towards Goodwill.

Notes to the consolidated financial statements

Note - 6 Other Investments [Non-Current (Other than Trade)]

	As at 31.03.2022		As at 31.03.2021	
	Numbers	₹ in Crores (10 Million)	Numbers	₹ in Crores (10 Million)
Equity Shares:				
Associate Companies (at Cost):				
Hari Shankar Singhanian Elastomer & Tyre Research Institute (₹100 each) (₹2400; Previous year: ₹2400)	24		24	
Others (at fair value through P&L):				
HDFC Bank Ltd. (₹1 each)	10,000	1.47	10,000	1.49
Bengal & Assam Company Ltd. (₹10 each) [*]	11,641	2.74	11,641	1.59
V. S. Lignite Power Pvt. Ltd. (₹10 each)	-	-	12,56,039	-
J.K.I. Employees Co-operative Credit Society Ltd. (₹1000 each) (₹5000; Previous year: ₹5000)	5		5	
Vaayu Renewable Energy (Godavari) Pvt. Ltd. (₹10 each)	49,400	6.30	49,400	4.79
ReNew Wind Energy (AP) Pvt. Ltd. (₹10 each)	15,700	0.21	15,700	0.21
ReNew Wind Energy (Karnataka) Pvt. Ltd. (₹10 each)	42,000	0.05	42,000	0.22
Preference Shares (at fair value through P&L):				
Associate Company:				
Dwarkesh Energy Ltd. (7% Optionally Convertible Cumulative Redeemable Preference Share) (₹100 each)	11,00,000	13.42	11,00,000	12.09
Others:				
V. S. Lignite Power Pvt. Ltd. (0.01% Cumulative Redeemable) (₹10 each)	-	-	11,14,222	-
Investment in Preference Shares (at amortised cost):				
J.K. Fenner (India) Ltd. (1% [4% IRR] bearing Cumulative Redeemable Preference Shares) (₹100 each)	45,00,000	45.71	70,00,000	65.87
Investment in Mutual Fund (at fair value through P&L):				
LIC Nomura Mutual Fund Growth Fund (₹10 each)	2,50,000	1.01	2,50,000	0.85
		70.91		87.11
Aggregate amount of quoted Investments / market value thereof		5.22		3.93
Aggregate amount of unquoted Investments		65.69		83.18
Aggregate provision for impairment in value of Investments		-		-

^{*} Acquired before becoming subsidiary of BAFL.

Note - 7 Other Financial Assets [Non-Current]

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Deferred Receivable	73.39	90.77
Security Deposits	54.89	50.51
Bank deposits [*]	9.34	0.05
	137.62	141.33

^{*} Represent fixed deposits having maturity more than 12 months as DSRA ₹8.52 crores, deposits with banks under lien towards margin money ₹0.81 crore and security deposit with Sales Tax department ₹0.01 crore (Previous Year: ₹0.05 crore, Nil and Nil, respectively).



Notes to the consolidated financial statements

Note - 8 Deferred Tax Asset (Net)

Deferred tax Asset are as under:

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Deferred Tax Assets		
- Expenses / Provision Allowable	80.56	45.30
- Unabsorbed depreciation / Loss	252.00	0.95
Deferred Tax Liability related to Property, Plant & Equipment	(245.64)	-
Deferred Tax Asset - Net	86.92	46.25
MAT Credit Entitlement	-	-
	86.92	46.25

Certain foreign Subsidiaries have not recognised deferred tax asset (net) based upon prudence.

Note - 9 Other Non-Current Assets

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Advances - Project related	13.16	4.87
Deferred Expenditure for financial instruments	7.05	12.27
Others	1.05	1.45
	21.26	18.59

Note - 10 Inventories (Valued at lower of cost or net realisable value)

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Raw Materials*	1044.51	782.61
Work-in-Progress	127.11	90.41
Finished Goods**	1072.63	748.12
Stock-in-trade	79.64	81.91
Stores and Spares	108.73	86.24
	2432.62	1789.29

* Includes raw materials in transit ₹307.06 crores (Previous year: ₹235.23 crores)

** Includes finished goods in transit ₹22.01 crores (Previous year: ₹14.84 crores)

Provision for write down of inventories during the year ₹2.86 crores (Previous year ₹5.41 crores)

Note - 11 Trade Receivables [Current] (Unsecured)

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Considered Good [§]	1979.86	1575.42
Credit Impaired	30.63	22.08
Less: Allowance for Bad and Doubtful debts	(30.63)	(22.08)
	1979.86	1575.42

[§] Refer Note no. 46 for Trade Receivable from related parties.

Notes to the consolidated financial statements

Ageing of Trade Receivables as at 31.03.2022 and 31.03.2021:

₹ in Crores (10 Million)

Particulars	Not Due as on 31.03.2022	Outstanding as at 31.03.2022 for following periods from due date of payment					TOTAL
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivable:							
(i) considered good	1413.12	396.02	72.62	13.53	13.30	6.11	1914.70
(ii) credit impaired	-	-	0.81	0.30	1.48	7.68	10.27
Disputed Trade Receivable:							
(i) considered good	-	-	0.03	0.54	15.38	49.21	65.16
(ii) credit impaired	-	-	-	-	-	20.36	20.36
TOTAL	1413.12	396.02	73.46	14.37	30.16	83.36	2010.49

Particulars	Not Due as on 31.03.2021	Outstanding as at 31.03.2021 for following periods from due date of payment					TOTAL
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivable:							
(i) considered good	1096.12	329.32	41.18	32.15	6.09	5.59	1510.45
(ii) credit impaired	-	0.03	0.13	1.91	0.84	6.75	9.66
Disputed Trade Receivable:							
(i) considered good	-	0.08	-	1.37	8.88	54.64	64.97
(ii) credit impaired	-	-	-	-	0.03	12.39	12.42
TOTAL	1096.12	329.43	41.31	35.43	15.84	79.37	1597.50

Note - 12 Cash and Cash Equivalents

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Balances with Banks:		
- Current Accounts	68.48	74.63
- Deposit Accounts	0.14	0.14
Remittances in transit and Cheques on hand	25.32	13.79
Cash on hand	0.11	0.10
	94.05	88.66

Note - 13 Other Bank Balances

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Unclaimed Dividend Accounts	1.75	1.73
Deposit Accounts*	79.85	83.40
	81.60	85.13

* Include DSRA ₹53.76 crores, Deposit Repayment Reserve Account ₹11.27 crores, security deposit with Sales Tax department (₹10000), deposits with banks under lien towards margin money against bank guarantee ₹11.02 crores and against Letter of Credit ₹3.48 crores (Previous year: ₹54.96 crores, ₹11.07 crores, ₹0.01 crore, ₹9.95 crores and ₹7.10 crores, respectively).



Notes to the consolidated financial statements

Note - 14 Other Financial Asset [Current]

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
<i>Unsecured, Considered Good:</i>		
Interest Recoverable	5.87	7.02
Due from Related Parties (Refer Note No. 46)	0.77	-
Balance with Government Authorities	148.64	90.06
Deferred Receivable	21.66	20.05
Advances to Employees	11.00	8.32
Derivative Instruments measured at fair value	19.47	5.33
Others	1.43	5.23
	208.84	136.01

Note - 15 Current Tax Assets (Net)

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Current Tax Assets (Net)	79.93	83.26
	79.93	83.26

Note - 16 Other Current Assets

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Balances with Government Authorities	368.98	258.09
Prepaid Expenses	32.79	37.86
Advances to Related Parties (Refer Note No. 46)	17.17	7.85
Advances to Suppliers	26.72	26.45
Deferred Expenditure for financial instruments	1.79	2.52
Others	9.52	1.46
	456.97	334.23

Note - 17 Borrowings [Non-Current]

	₹ in Crores (10 Million)			
	Non - Current		Current *	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Secured Loans				
Term Loans: **				
- Financial Institutions	567.84	681.31	135.20	131.09
- Bank	1810.84	2102.08	404.29	475.43
	2378.68	2783.39	539.49	606.52
Unsecured Loans				
Loan from Bank	30.41	-	15.20	-
Fixed Deposits	66.84	77.35	40.36	32.89
Loan from Body Corporate (Refer Note No. 46)	-	-	-	0.77
	97.25	77.35	55.56	33.66
	2475.93	2860.74	595.05	640.18

* Amount payable during next 12 months is included under the head "Borrowings [Current]" (Note No. 21).

** Net of ₹24.22 crores (As at 31.03.2021: ₹17.63 crores) for unamortised processing charges.

Notes to the consolidated financial statements

- (i) Rupee Term Loan of ₹6.90 crores from a Bank, secured by a first pari passu charge on movable and immovable assets at a Company's Plant in Karnataka, both present and future is repayable in 5 equal quarterly instalments.
- (ii) Rupee Term Loan of ₹23.89 crores, ₹13.51 crores and ₹35.84 crores from Banks and Foreign Currency Loan of ₹48.75 crores (including ₹15.77 crores due to forex reinstatement) from a Financial Institution aggregating to ₹121.99 crores, secured by a first pari passu charge on movable and immovable assets at a Company's Plant in Tamil Nadu, both present and future are repayable in 4, 5, 6 and 6 equal quarterly instalments respectively.
- (iii) Rupee Term Loan of ₹290.25 crores, ₹34.33 crores, and ₹42.97 crores from Banks and Foreign Currency Loan of ₹143.94 crores (including ₹23.46 crores due to forex reinstatement) from a Financial Institution aggregating to ₹511.49 crores, secured by a first pari passu charge created / to be created on movable and immovable assets at a Company's Plant in Tamil Nadu, both present and future and also secured by way of hypothecation on the specified movable assets at Company's Plants in Madhya Pradesh and Karnataka are repayable in 46 quarterly instalments, 14, 22 and 24 equal quarterly instalments respectively.
- (iv) Rupee Term Loan of ₹223.50 crores from a Bank, secured by a first pari passu charge on movable and immovable assets at a Company's Plant in Tamil Nadu, both present and future is repayable in 46 quarterly instalments.
- (v) Foreign Currency Loan of ₹44.27 crores (including ₹7.95 crores due to forex reinstatement) from a Bank, secured by charge by way of hypothecation of specified assets at Company's Plants in Rajasthan, Karnataka and Tamil Nadu, is repayable in 9 equal quarterly instalments.
- (vi) Foreign Currency Loan of ₹138.19 crores (including ₹19.02 crores due to forex reinstatement) from a Bank, secured by first pari passu charge on movable fixed assets at Company's Plants at Rajasthan and Karnataka (excluding those specifically charged to other banks), both present and future. Loan of Tranche – I, ₹51.33 crores and Tranche – II, ₹86.86 crores are repayable in 9 and 12 quarterly instalments respectively.
- (vii) Rupee Term Loan of ₹88.33 crores from a Bank, secured by a first pari passu charge to be created on movable fixed assets at a Company's Plant in Madhya Pradesh (excluding those specifically charged to other banks), both present and future is repayable in 24 equal quarterly instalments commencing from December 2022.
- (viii) Term Loans carrying first pari passu charge on the movable and immovable assets, are subject to prior charge of banks on stocks and book debts for working capital borrowings.
- (ix) Rupee Term Loan of ₹20 crores from a Bank, secured by a first pari passu charge on movable fixed assets at a Company's Plant in Madhya Pradesh, both present and future is repayable in June 2022.
- (x) Rupee Term Loan of ₹35.02 crores from a Bank, secured by a first pari passu charge on stocks and book debts, of the Company, both present and future with second pari passu charge on movable and immovable assets of the Company's Plants in Rajasthan, Madhya Pradesh, Karnataka and Tamil Nadu (excluding those specifically charged to other banks) is repayable in 17 equal monthly instalments.
- (xi) Fixed Deposits of ₹40.36 crores, ₹42.52 crores and ₹24.32 crores (aggregating ₹107.20 crores) are due for repayment in 2022-23, 2023-24 and 2024-25 respectively.
- (xii) Term Loans aggregating ₹1589.72 crores are secured with first pari passu charge on movable and immovable assets of its plants at Laksar, Uttrakhand, both present & future; pledge of 51% shareholding held by the Holding Company on pari passu basis; exclusive charge on Debt Service Reserve Account (DSRA); and second pari passu charge on all the current assets of CIL, both present & future.
Foreign Currency Term Loan from a Financial Institution amounting to ₹511.64 crores (including forex reinstatement of ₹63.48 crores) is repayable in 26 equal quarterly instalments; Rupee Term Loans from Banks aggregating to ₹944.58 crores are repayable in 34 to 41 unequal quarterly instalments; Rupee term loan amounting to ₹32.31 crores from a bank is repayable in 47 equal quarterly instalments; and Buyer's credit of ₹101.22 crores (net of ₹2.15 crores on account of forex reinstatement) availed from other bank, which will be substituted by term loan, is repayable in 48 equal quarterly instalments.
- (xiii) Term Loan of ₹0.17 crore from a bank is secured by first pari passu charge on the current assets of CIL and second pari passu charge created / to be created on fixed assets of CIL, both present and future, repayable in April 2022.
- (xiv) Term Loan of ₹119.29 crores from banks are secured by subservient charge created on current assets and movable fixed assets of CIL, both present and future. Further, one loan from bank is repayable in 7 unequal quarterly instalments and from another bank is repayable in 6 bi-annual equal instalments.
- (xv) Term Loan of ₹43.49 crores from a bank availed by certain foreign subsidiary companies are secured by first charge on all movable and immovable assets at plants in Mexico except assets of certain plants, both present and future on pari-passu basis; first charge on all current assets, both present and future on pari-passu basis and pledge of shares of said subsidiary companies and shares of all intermediate holding companies on pari-passu basis except shares held by ultimate holding company.



Notes to the consolidated financial statements

Note - 18 Other Financial Liabilities [Non-Current]

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Trade Deposits & Others	636.38	612.06
	636.38	612.06

Note - 19 Provisions [Non-Current]

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits	119.85	103.88
	119.85	103.88

Note - 20 Deferred Tax Liabilities (Net)

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Deferred Tax Liability are as under:		
Deferred Tax Liability related to Property, Plant and Equipment	642.90	927.41
Deferred Tax Assets:		
- Expenses / Provision Allowable	(88.98)	(129.01)
- Unabsorbed Depreciation / Loss	-	(231.55)
Deferred Tax Liability - Net	553.92	566.85
MAT Credit Entitlement	(148.80)	(198.54)
	405.12	368.31

Certain foreign Subsidiaries have not recognised deferred tax asset (net) based upon prudence.

Note - 21 Borrowings [Current]

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Secured Loans		
Repayable on Demand from Banks*	1476.09	801.07
Buyers' Credit*	93.20	121.05
Current maturities of long term borrowings	539.49	606.52
	2108.78	1528.64
Unsecured Loans		
Fixed Deposits	11.89	14.79
Loan from Banks	463.04	218.66
Current maturities of long term borrowings	55.56	33.66
	530.49	267.11
	2639.27	1795.75

* i. Represent Working Capital borrowings of ₹1425.85 crores secured by hypothecation of stocks, book debts, etc. of the Company, both present and future with second charge created on movable and immovable assets of the Company's Plants in Rajasthan, Madhya Pradesh, Karnataka, Tamil Nadu and Uttarakhand.

ii. The working capital demand loan of ₹143.44 crores from a bank availed by certain foreign subsidiary companies are secured by first charge on all movable and immovable assets at plants in Mexico except assets of certain plants, both present and future on pari-passu basis; first charge on all current assets, both present and future on pari-passu basis and pledge of shares of said subsidiary companies and shares of all intermediate holding companies on pari-passu basis except shares held by ultimate holding company.

Notes to the consolidated financial statements

Note - 22 Trade Payables [Current]

Ageing of Trade Payables is as given hereunder:

Particulars	Not Due as on 31.03.2022	Outstanding as at 31.03.2022 for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME - Micro & Small	49.00	-	-	-	-	49.00
(ii) Others	1930.46	34.90	-	-	-	1965.36
(iii) Disputed dues - MSME - Micro & Small	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	1.83	0.61	0.54	2.98
Unbilled Dues						171.18
TOTAL						2188.52

Particulars	Not Due as on 31.03.2021	Outstanding as at 31.03.2021 for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME - Micro & Small	36.18	-	-	-	-	36.18
(ii) Others	1377.21	18.57	(0.48)	0.21	0.16	1395.67
(iii) Disputed dues - MSME - Micro & Small	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	1.98	0.20	2.44	4.62
Unbilled Dues						137.60
TOTAL						1574.07

Note - 23 Other Financial Liabilities [Current]

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Interest Accrued but not due on Borrowings	18.21	18.88
Unclaimed Dividends [#]	1.75	1.73
Unclaimed / Uncollected Fixed Deposits and Interest Accrued thereon [#]	1.24	2.48
Liabilities for Expenses	375.20	481.27
Derivative Instruments measured at fair value	-	3.55
	396.40	507.91

[#] Investor Education & Protection Fund will be credited as and when due.

Note - 24 Other Current Liabilities

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Government and Other Statutory Dues	213.63	172.52
Recoveries under Company Schemes	30.97	29.97
Contract Liabilities	34.21	27.64
Others	0.50	1.20
	279.31	231.33



Notes to the consolidated financial statements

Note - 25 Provisions [Current]

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits	17.42	7.83
	17.42	7.83

Note - 26 Current Tax Liabilities (Net)

	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Current Tax Liabilities (Net)	36.80	1.57
	36.80	1.57

Note - 27 Revenue from Operations

	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Sale of:		
- Products	11809.88	9001.41
- Services	43.02	41.64
Other operating revenues:		
- Miscellaneous Income [#]	130.06	59.15
	11982.96	9102.20

[#] Includes Government Incentive of ₹90.01 crores (Previous Year: ₹28.74 crores)
Refer Note No. 45 for disclosure regarding Revenue recognised under contracts.

Note - 28 Other Income

	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Interest Income from Financial Assets valued at:		
- Amortised Cost	19.75	23.35
- Fair Value through Profit & Loss (FVTPL)	1.33	1.20
Other Interest Income	6.24	8.76
Dividend Income	0.60	0.70
Fair Value changes in Investments valued at FVTPL	2.64	3.70
Profit on Sale of Fixed Assets (Net)	-	0.82
Rent Income	1.79	1.76
Other Non-operating Income	4.21	2.78
	36.56	43.07

Note - 29 Employee Benefits Expense

	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Salaries and Wages	797.66	685.75
Contribution to Provident and other Funds	61.64	63.78
Employees' Welfare and other Benefits	206.05	173.21
	1065.35	922.74

Notes to the consolidated financial statements

Note - 30 Finance Costs

	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Interest on Borrowings & Others	400.51	441.81
Interest on Lease Liabilities	12.57	16.75
Other Borrowing Costs	6.01	7.29
	419.09	465.85

Note - 31 Other Expenses

	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Consumption of Stores and spares	149.47	107.86
Power and Fuel	493.97	355.48
Freight and Transportation	482.33	369.78
Advertisement and Sales Promotion	132.89	79.66
Conversion Charges	56.98	51.68
Tyre Servicing & Retreading Charges	17.64	29.90
Legal & Professional Charges	81.24	82.26
Repair & Maintenance Expenses	56.51	44.64
Insurance	25.26	19.58
Lease Rent	18.69	15.88
Loss on Sale of Fixed Assets (Net)	0.06	-
Allowance for Doubtful Debts / Advances	8.00	2.50
Corporate Social Responsibility Expenses	5.04	2.90
Miscellaneous Expenses	276.94	242.30
	1805.02	1404.42

Note - 32

Estimated amount of contracts remaining to be executed on capital account ₹270.92 crores (Previous year: ₹196.81 crores).

Note - 33

The Company imported certain equipment under Export Promotion Capital Goods (EPCG) Scheme at a concessional custom duty resulting in a saving of ₹23.59 crores, against which export obligation will be fulfilled.

Note - 34

Contingent liabilities in respect of claims not accepted and not provided for ₹199.01 crores (Previous year: ₹177.76 crores), pertaining to matters in appeal for Excise & Customs duty ₹93.45 crores, Service Tax ₹1.13 crores, Sales Tax ₹2.61 crores, Income Tax ₹13.74 crores & others ₹88.08 crores (Previous year: ₹99.28 crores, ₹0.76 crore, ₹2.65 crores, ₹4.97 crores & ₹70.10 crores respectively).

Note - 35

The Competition Commission of India ("CCI") on 2nd February 2022 published an Order dated 31st August 2018 for alleged contravention of Section 3 of the Competition Act, 2002 against the Company and certain other domestic tyre manufacturing companies and had imposed a penalty of ₹309.95 crores on the Company. The Company has filed an Appeal before the Hon'ble National Company Law Appellate Tribunal against the said CCI Order and the matter is currently pending. It is strongly reiterated that there has been no wrongdoing on the part of the Company and that the Company never indulged in or was part of any cartel or undertook any anti-competitive practices.



Notes to the consolidated financial statements

Note - 36

- a) Capital work in progress includes Machinery in stock / transit, construction / erection materials and the following pre-operative expenses pending allocation:

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Raw Material Consumption	0.22	-
Stores & Spares	0.02	-
Employee Benefit Expenses	2.30	1.60
Finance Cost	-	6.84
Power & Fuel Consumption	0.20	-
Miscellaneous Expenditure	0.90	1.01
	3.64	9.45
Add: Expenditure upto previous year	22.92	41.57
	26.56	51.02
Less: Transferred to Property, Plant and Equipment	25.87	28.10
	0.69	22.92

- b) Ageing of Capital work in progress and Intangible asset under development as on 31.03.2022 & 31.03.2021 is as follows:

Category	Particulars	Amount in Capital Work-in-Progress for a period of				TOTAL
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work in progress	As at 31.03.2022					
	o Projects in progress	100.56	-	-	-	100.56
Intangible asset under development	As at 31.03.2021					
	o Projects in progress	115.39	132.16	31.71	7.16	286.42
Intangible asset under development	As at 31.03.2022					
	o Projects in progress	2.59	3.08	-	-	5.67
Intangible asset under development	As at 31.03.2021					
	o Projects in progress	4.65	8.05	-	-	12.70

No Project was temporarily suspended by the Company as at 31.03.2022 and 31.03.2021.

- c) The Completion schedule of capital-work-in progress and intangible asset under development, whose completion is overdue or has exceeded its cost compared to its original plan, is as given hereunder:

Name of Project	Particulars	To be completed in			
		Less than 1 year	1-2 years	2-3 years	More than 3 years
Normal Capex	31.03.2022	-	-	-	-
	31.03.2021	6.17	-	-	-

Notes to the consolidated financial statements

Note - 37

The Company has lease contracts for various assets, land, buildings and plant & equipment. These are recognised as Right of use assets and lease liabilities, in accordance with accounting policy of the Company.

- a) The movements in Right of use assets is shown in Note No. 2, Property, Plant & Equipment.
b) The movement in lease liabilities (including in Other Financial Liabilities) during the year is as follows:

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
As at beginning of the year	144.21	186.38
Additions	13.01	16.60
Accretion of Interest	12.57	16.75
Less: Payments	(63.28)	(70.85)
Less: Discount Received	(0.09)	(0.32)
Less: Leases Terminated	(1.25)	(4.43)
Add: Foreign Currency Translation Difference	0.01	0.08
Balance at the end of the year	105.18	144.21
Current	65.00	50.23
Non-current	40.18	93.98

- c) The amounts recognised in profit and loss during the year:

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Depreciation expenses of right of use assets	56.54	55.65
Interest expense on Lease liabilities	12.57	16.75
Lease Rent recognised as expenses for short term leases	13.22	10.40
Lease Rent recognised as expenses for low value asset leases	5.47	5.48
	87.80	88.28

- d) Cash outflows in regard to Lease contracts, as Lessee:

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Operating activities		
Short term / low value assets Lease payments	18.69	15.88
Financing activities		
Repayment of Principal portion of Lease Liabilities	50.80	54.42
Repayment of Interest portion of Lease Liabilities	12.57	16.75



Notes to the consolidated financial statements

e) The contractual maturities of lease liabilities as at year 31st March, 2022 and 31st March, 2021 on undiscounted basis are given below:

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Not later than one year	48.14	59.73
Later than one year and not later than five years	67.02	104.97
Later than five years	5.61	5.88

Note - 38

Debts / Advances include ₹85.52 crores (Previous year: ₹77.39 crores) for which legal and other necessary action has been taken.

Note - 39

In respect of certain disallowances and additions made by the Income Tax Authorities, appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally determined.

Note - 40 Expenditure on Research and Development (R&D) Activities during the year

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
i) Revenue Expenditure*		
1. Employee Cost	24.61	22.02
2. Cost of Materials and Testing Charges	49.65	46.17
3. Other R&D Expenses	13.33	18.41
Subtotal (i)	87.59	86.60
ii) Capital Expenditure	1.72	1.36
Total (i+ii)	89.31	87.96

* Included in respective revenue accounts.

Note - 41

Exceptional items include net impact of favorable foreign exchange fluctuation ₹13.95 crores (Previous year: ₹40.35 crores) and expenditure on VRS for the employees ₹10.35 crores (Previous Year: ₹2.87 crores).

Note - 42

The Company has evaluated impact of COVID-19 pandemic on its business, performance and financials. The Company expects to recover the carrying amount of various assets and to maintain sufficient liquidity. The impact of subsequent developments, if any, occurring after approval of these financial statements will be recognized prospectively.

Note - 43 Earnings per Share (EPS)

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
a. Profit for the year attributable to equity shareholders	210.02	319.34
b. Weighted average number of Equity Shares for Basic / Diluted EPS	24,62,30,880	24,62,30,880
c. Earnings per share of ₹2 each		
- Basic / Diluted (₹)	8.53	12.97

Notes to the consolidated financial statements

Note - 44

The disclosures required under Ind AS 19 "Employee Benefits" notified in the Companies (Indian Accounting Standards) Rules, 2015 are as given below:

(a) Defined Benefit Plan for Indian operations:**(i)**

Particulars	₹ in Crores (10 Million)			
	Leave Encashment (Non-Funded)		Gratuity (Funded)	
	2021-2022	2020-2021	2021-2022	2020-2021
I Change in the Present Value of Obligation				
1) Present Value of Defined Benefit Obligation at the beginning of the year	41.73	43.10	168.54	162.42
2) Current Service Cost	6.37	4.94	10.93	10.47
3) Past Service Cost	-	(0.64)	-	-
4) Interest Cost	2.71	2.71	10.10	10.30
5) Remeasurement (or actuarial) (gain) / loss arising from:				
- change in financial assumptions	(2.27)	0.82	(7.99)	2.78
- experience variance (i.e. actual experience vs assumptions)	8.54	7.55	12.22	(0.04)
6) Benefit Paid	(13.14)	(16.75)	(26.34)	(17.39)
7) Present Value of Obligation as at the end	43.94	41.73	167.46	168.54
II Change in the Fair Value of Plan Assets				
1) Fair value of Plan Assets at the beginning of the year	-	-	161.74	139.74
2) Investment Income	-	-	10.24	9.58
3) Employer's Contribution	-	-	18.09	23.88
4) Benefits Paid	-	-	(26.34)	(17.39)
5) Return on Plan Assets, excluding amount recognised in net Interest Expense	-	-	1.25	5.93
6) Fair value of Plan Assets as at the end	-	-	164.98	161.74
III Expenses recognised in the Statement of Profit & Loss Account *				
1) Current Service Cost	6.37	4.94	10.93	10.47
2) Past Service Cost	-	(0.64)	-	-
3) Net Interest (Income) / Cost on the Net Defined Benefit Liability (Asset)	2.71	2.71	(0.14)	0.72
4) Expenses recognised in the Income Statement	9.08	7.01	10.79	11.19
IV Other Comprehensive Income				
1) Actuarial (Gains) / Losses				
- change in financial assumptions	(2.27)	0.82	(7.99)	2.78
- experience variance (i.e. actual experience vs assumptions)	8.54	7.55	12.22	(0.04)
2) Return on Plan Assets, excluding amount recognised in net Interest Expense	-	-	(1.25)	(5.93)
3) Components of Defined Benefit Costs recognised in Other Comprehensive Income	6.27	8.37	2.98	(3.19)



Notes to the consolidated financial statements

Particulars	₹ in Crores (10 Million)			
	Leave Encashment		Gratuity	
	(Non-Funded)		(Funded)	
	2021-2022	2020-2021	2021-2022	2020-2021
V Actuarial Assumptions				
1) Discount Rate	7.30% - 6.90%	6.50%	7.30%-6.90%	6.50%
2) Expected rate of return on Plan Assets	-	-	7.30%-6.90%	6.50%
3) Mortality	Indian Assured Lives Mortality (2006-08) Ultimate			
4) Salary Escalation	5.00% - 5.50%	5.00% - 5.50%	5.00% - 5.50%	5.00% - 5.50%

* Included under the head Employee Benefits Expense – Refer Note No. 29.

(ii)

Particulars	₹ in Crores (10 Million)									
	Leave Encashment					Gratuity				
	2021-22	2020-21	2019-20	2018-19	2017-18	2021-22	2020-21	2019-20	2018-19	2017-18
Present Value of Defined Benefit Obligation	43.94	41.73	43.10	38.26	33.63	167.46	168.54	162.42	151.09	132.48
Fair Value of Plan Assets	-	-	-	-	-	164.98	161.74	156.68	145.42	140.38
Surplus / (Deficit)	(45.94)	(41.73)	(43.10)	(38.26)	(33.63)	(2.48)	(6.80)	(5.74)	(5.67)	7.90
Experience adjustment on Plan Liabilities (Gain) / Loss	8.54	7.55	6.99	6.19	7.74	12.22	(0.04)	2.06	7.81	3.47
Experience adjustment on Plan Assets (Gain) / Loss	-	-	-	-	-	(1.25)	(5.93)	2.82	(0.17)	1.09

(iii) Sensitivity analysis

Reasonably possible changes at the year end, to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as the amounts shown below:-

Particulars	₹ in Crores (10 Million)							
	Leave Encashment				Gratuity			
	31 st March 2022		31 st March 2021		31 st March 2022		31 st March 2021	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	49.68	41.21	46.29	37.92	182.75	154.42	183.88	155.49
Salary Growth Rate (- / + 1%)	41.12	49.72	37.85	46.30	154.49	182.31	155.58	183.45
Attrition Rate (- / + 1%)	44.54	45.73	41.35	42.18	165.78	169.62	167.39	169.96
Mortality Rate (- / + 10% of mortality rates)	45.06	45.11	41.72	41.75	167.39	167.54	168.49	168.59

(iv) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of assets management, historical results of return on plan assets and the policy for plan assets management.

(v) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(vi) Employer's Contribution to PF (trust) during the 12 months ended 31st March, 2022 of ₹8.95 crores (Previous year: ₹7.88 crores) has been included under the head Employee Benefits Expense. (Refer Note No. 29)

Notes to the consolidated financial statements

(vii) Maturity Profile of Defined Benefit Obligation:

Particulars	₹ in Crores (10 Million)			
	Leave Encashment		Gratuity	
	2021-2022	2020-2021	2021-2022	2020-2021
Within next 1 Year	5.07	5.33	14.48	14.43
Between 2 - 5 Years	15.06	13.07	69.23	70.19
Between 6 - 10 Years	21.47	19.63	86.49	86.71
More than 10 Years	127.93	110.72	218.82	180.63

b) Defined Benefit Plan for Foreign operation:

Particulars	₹ in Crores (10 Million)	
	Gratuity (Non-Funded)	
	2021-2022	2020-2021
I Change in the Present Value of Obligation		
1) Present Value of Defined Benefit Obligation at the beginning of the year	50.20	38.37
2) Current Service Cost	6.21	4.27
3) Past Service Cost	(6.23)	-
4) Interest Expense or Cost	3.51	2.77
5) Remeasurement (or actuarial) (gain) / loss arising from:		
- change in financial assumptions	(0.21)	(0.27)
- experience variance (i.e. actual experience vs assumptions)	(2.81)	1.16
6) Benefit Paid	(5.72)	(1.57)
7) Foreign Currency Translation Difference	3.00	5.47
8) Present Value of Obligation as at the end	47.95	50.20
II Expenses recognised in the Statement of Profit & Loss Account *		
1) Current Service Cost	6.21	4.27
2) Past Service Cost	(6.23)	-
3) Net Interest (Income) / Cost on the Net Defined Benefit Liability (Asset)	3.51	2.77
4) Expenses recognised in the Income Statement	3.49	7.04
III Other Comprehensive Income		
1) Actuarial (Gains) / Losses		
- change in financial assumptions	(0.21)	(0.27)
- experience variance (i.e. actual experience vs assumptions)	(2.81)	1.16
2) Components of Defined Benefit Costs recognised in Other Comprehensive Income	(3.02)	0.89
IV Actuarial Assumptions:		
1) Discount Rate	7.65%	6.10%
2) Expected rate of return on Plan Assets	-	-
3) Mortality	Mexican Experience 2000	
4) Salary Escalation	6.56%	6.00%

* Included under the head Employee Benefits Expense – Refer Note No. 29.



Notes to the consolidated financial statements

Note - 45 Revenue Recognised under Contracts:

a) The disaggregation of revenue earned under contracts as per Ind AS-115 is as follows:

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Category-wise:		
<i>Revenue recognised at the point of time:</i>		
Tyres, Tubes & Flaps	11666.16	8918.60
Other goods	143.72	82.81
<i>Revenue recognised over the period of time:</i>		
Services	43.02	41.64
	11852.90	9043.05
Geography-wise:		
Within India	8332.81	6968.55
Outside India	3520.09	2074.50
	11852.90	9043.05

b) Revenue-related receivables and contract liabilities at the year end:

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Trade receivables (Refer Note No. 11)	1979.86	1575.42
Contract liabilities (Refer Note No. 24)	34.21	27.64

c) Reconciling the amount of revenue recognised during the year in the statement of profit and loss with the contracted price:

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Revenue as per contracted price	12334.82	9516.22
Reductions towards variable consideration components*	(481.92)	(473.17)
Revenue from contracts with customers	11852.90	9043.05

* The reduction towards variable consideration comprises of discounts, claims against obligations, etc.

d) Impairment in Trade Receivables are disclosed as 'Allowance for Bad and Doubtful debts' amounting ₹30.63 crores (Previous year: ₹22.08 crores).

Note - 46 Related Parties

a) **Holding Company:**

Bengal & Assam Company Ltd. (BACL-H)

b) **Fellow Subsidiaries (with which, the Company has transactions):**

JK Agri Genetics Ltd. (JKAGL)

J.K. Fenner (India) Ltd. (JKFIL)

Notes to the consolidated financial statements

c) **Associates (with which, the Company has transactions):**

Hari Shankar Singhania Elastomer and Tyre Research Institute (HASETRI)

Valiant Pacific LLC. (VPL – Associate of JKAPPL)

Western Tire Holdings, Inc. (WTHI – Associate of CHT)

Western Tires, Inc. (WTI – Subs. of WTHI – Associate of CHT)

Treel Mobility Solutions Pvt. Ltd. (TREEL)

JK Lakshmi Cement Ltd (JKLCL - Associate of BACL-H)

JK Paper Ltd. (JKPL - Associate of BACL-H)

d) **Key Management Personnel (KMP) (with which, the Company has transactions):**

(i) Dr. Raghupati Singhania	Chairman & Managing Director
(ii) Shri Bharat Hari Singhania	Non-Executive Non-Independent Director [Managing Director (till 30 th Sept. 2021)]
(iii) Shri Anshuman Singhania	Managing Director
(iv) Shri Arun Kumar Bajoria	Director & President – International Operations
(v) Smt. Sunanda Singhania	Non-Executive Non-Independent Director
(vi) Shri Arvind Singh Mewar	Independent Director
(vii) Shri Bakul Jain	Independent Director
(viii) Shri Shreekant Somany	Independent Director
(ix) Shri Vimal Bhandari	Independent Director
(x) Shri Kalpataru Tripathy	Independent Director
(xi) Dr. Wolfgang Holzbach	Independent Director
(xii) Smt. Meera Shankar	Independent Director
(xiii) Shri Sanjeev Aggarwal	Chief Financial Officer
(xiv) Shri Pawan Kumar Rustagi	Vice President (Legal) & Co. Secretary
(xv) Shri Ashok Kumar Kinra	Non-Executive Director of BACL-H

e) **Post-Employment Benefit Plan Entities:**

JK Tyre & Industries Ltd. Employees Provident Fund Optional Scheme, Kolkata (JKEPFK)

JK Tyre & Industries Ltd. Officers Superannuation Fund, Kolkata (JKOSFK)

JK Tyre & Industries Ltd. Employees Gratuity Fund, Kolkata (JKEGFK)

JK Tyre & Industries Ltd. Employees Provident Fund Trust, Mysuru (JKEPFV)

JK Tyre & Industries Ltd. Officer's Superannuation Fund Trust, Mysuru (JKOSFV)

JK Tyre & Industries Ltd. Employees Gratuity Fund Trust, Mysuru (JKEGFV)

CIL Employees Gratuity Fund, Kolkata (CILEGF)

f) **Other Related Party (with which, the Company has transactions):**

Niyojit Properties Pvt. Ltd. (NPPL – controlled by KMP of BACL-H)

CMDS (One Person Company controlled by Dr. Wolfgang Holzbach)



Notes to the consolidated financial statements

(I) The following transactions were carried out with related parties in the ordinary course of business and on arm's length basis:

₹ in Crores (10 Million)

Nature of Transactions	Holding Company	Fellow Subsidiaries	Associates	Other Related Parties	TOTAL
Sale of Tyres to VPL- 312.41, WTI- 167.76, JKLCCL			480.21		480.21
Sale of Tyres to VPL- 239.38, WTI- 39.89, JKLCCL			(279.28)		(279.28)
Sale of Goods to TREEL			0.13		0.13
Sale of Goods to JKFIL, TREEL		(0.09)	(1.69)		(1.78)
Purchase of Goods from JKFIL, VPL-115.72, TREEL-8.84, JKLCCL		0.03	124.71		124.74
Purchase of Goods from JKFIL, VPL-13.19, TREEL		(0.05)	(22.50)		(22.55)
Sharing of Expenses received from BACL-H, JKFIL-0.88, JKAGL, HASETRI-4.18, JKPL-0.91, JKLCCL	0.02	0.97	5.89		6.88
Sharing of Expenses received from BACL-H, JKFIL-0.76, JKAGL, HASETRI-3.50, JKPL-0.74, JKLCCL	(0.02)	(0.83)	(4.87)		(5.72)
Sharing of Expenses paid to BACL-H, JKLCCL-0.38, JKPL-0.10, TREEL, NPPL	0.76		0.49	0.54	1.79
Sharing of Expenses paid to BACL-H, JKLCCL-0.44, JKPL-0.15, TREEL, NPPL	(0.75)		(0.64)	(0.54)	(1.93)
Services Availed - JKFIL, HASETRI-28.56, VPL- 0.20, JKLCCL- (₹4600), CMDS		16.46	28.76	0.03	45.25
Services Availed - JKFIL, HASETRI-41.92, VPL- 2.15, TREEL		(17.42)	(44.07)		(61.49)
Services Rendered to VPL			0.82		0.82
Services Rendered to VPL			(1.11)		(1.11)
Redemption of JKFIL's Preference Shares		28.63			28.63
Interest from JKFIL		2.94			2.94
Interest from JKFIL		(3.89)			(3.89)
Interest Paid to VPL			0.01		0.01
Interest Paid to VPL			(0.04)		(0.04)
Royalty income from VPL			(0.01)		(0.01)
Dividend from JKFIL		0.60			0.60
Dividend from JKFIL		(0.70)			(0.70)
Contribution to HASETRI			10.00		10.00
Contribution to Trusts- JKEPFK- 8.20, JKOSFK- 0.50, JKEGFK- 9.05, JKEPFV - 26.49, JKOSFV- 0.22, JKEGFV-0.88, CILEGF				49.18	49.18
Contribution to Trusts- JKEPFK- 7.45, JKOSFK- 0.49, JKEGFK- 2.23, JKEPFV - 18.90, JKOSFV- 0.25, JKEGFV-2.59, CILEGF				(35.09)	(35.09)
Outstanding as at year end:					
Due from WTHI - 0.77			0.77		0.77
Advances to HASETRI - 13.49, TREEL - 3.68			17.17		17.17
Advances to HASETRI - 7.85			(7.85)		(7.85)
Trade Receivables:					
- VPL - 253.63, WTI - 40.38			294.01		294.01
- VPL - 170.42, WTI - 14.59			(185.01)		(185.01)

Notes to the consolidated financial statements

₹ in Crores (10 Million)

Nature of Transactions	Holding Company	Fellow Subsidiaries	Associates	Other Related Parties	TOTAL
Other Receivables:					
- BACL-H - 0.66, JKFIL-26.09, JKPL-0.24, HASETRI-(₹41897), JKEGFV-5.96, JKEGFFK-4.85, NPPL-0.54	0.66	26.09	0.24	11.35	38.24
- BACL-H - 0.66, JKFIL-33.90, VPL-14.72, JKEGFV-4.83, NPPL-0.54	(0.66)	(33.90)	(14.72)	(5.37)	(54.65)
Loan from VPL - 0.77			(0.77)		(0.77)
Other Payables:					
- VPL - 24.77, CILEGF - 13.29, JKOPFV - 0.19			24.77	13.48	38.25
- VPL - 2.45, TREEL - 0.74, HASETRI - 0.21, CILEGF - 11.42, JKEGFK - 0.20, JKOSFV - 0.01			(3.40)	(11.63)	(15.03)

Figures in brackets represent amounts pertaining to previous year.

(II)

₹ in Crores (10 Million)

Remuneration paid to Key Managerial Personnel	2021-2022	2020-2021
Short-term Employee Benefits	36.65	47.29
Post-employment Benefits*	0.46	0.44
Other Payments	4.02	1.66
Subscription towards Right Issue of CIL	0.15	-

*Excludes gratuity and leave encashment, as the same is considered on actuarial valuation basis for the Company as a whole.

Note - 47 Operating Segments

a. Basis for segmentation

An operating segment is component of the Company that engages in the business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. All operating segments' results are reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess their performance.

The Company has reportable segments based on geographical location (India, Mexico and Others), which are the Group's strategic business units. These business units are engaged in developing, manufacturing, marketing and distribution of automotive Tyre, Tubes, Flaps, etc. For each of the business units, the Company's chief operating decision maker reviews internal management reports at least on quarterly basis.

b. Information about reportable segment

Inter segment pricing is determined on an arm's length basis. Information regarding the results of each reportable segment is included below:

₹ in Crores (10 Million)

Particulars	India		Mexico		Others		Total	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
1. Revenue								
Total Sales	10352.83	8218.87	2119.14	1133.48	1.43	1.88	12473.40	9354.23
Inter Segment Sales	(489.83)	(251.26)	-	-	(0.61)	(0.77)	(490.44)	(252.03)
External Revenue from Operation	9863.00	7967.61	2119.14	1133.48	0.82	1.11	11982.96	9102.20
Other Income	35.34	41.16	1.17	1.85	0.05	0.06	36.56	43.07
Total Revenue	9898.34	8008.77	2120.31	1135.33	0.87	1.17	12019.52	9145.27



Notes to the consolidated financial statements

Particulars	₹ in Crores (10 Million)							
	India		Mexico		Others		Total	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
2. Result								
Segment Result (PBIT) before Exceptional Items	582.44	937.20	142.06	25.70	(0.00)	(0.18)	724.50	962.72
Less: Finance Costs	401.22	438.67	17.85	27.12	0.02	0.06	419.09	465.85
Profit / (Loss) before Exceptional Items	181.22	498.53	124.21	(1.42)	(0.02)	(0.24)	305.41	496.87
Exceptional Items	(3.41)	34.89	6.95	2.67	0.06	(0.08)	3.60	37.48
Profit / (Loss) before Tax	177.81	533.42	131.16	1.25	0.04	(0.32)	309.01	534.35
Less: Income Taxes	59.63	194.48	49.07	6.43	0.01	-	108.71	200.91
Profit / (Loss) after Tax	118.18	338.94	82.09	(5.18)	0.03	(0.32)	200.30	333.44
Share of Profit in Associates	(0.27)	0.09	0.68	(0.52)	0.53	(2.08)	0.94	(2.51)
Less: Non-controlling Interest	(8.78)	11.59	-	-	-	-	(8.78)	11.59
Net Profit	126.69	327.44	82.77	(5.70)	0.56	(2.40)	210.02	319.34
3. Other Information								
Segment Assets	10772.08	9809.91	1415.89	1118.97	59.68	57.81	12247.65	10986.69
Segment Assets include:								
- Investments accounted for using Equity Method	6.54	6.81	-	-	55.30	53.10	61.84	59.91
Capital Expenditure	307.25	182.52	36.22	15.92	-	0.01	343.47	198.45
Depreciation & Amortisation	339.80	342.14	44.92	43.92	0.64	0.63	385.36	386.69
Segment Liabilities	8458.89	7504.23	840.82	702.05	0.47	1.38	9300.18	8207.66

c. Major Customer:

Revenue from one customer of the group is ₹839.27 crores (Previous Year: Nil), which is more than 10 percent of the Company's total revenue and belongs to Business Unit – India (Previous Year: None).

Note - 48 Dividends

The following dividends were declared and paid by the company during the year:

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
For the year ended 31 st March, 2021 - 100% i.e. ₹2.00 per equity share, (31 st March, 2020 - 35% i.e. ₹0.70)	49.25	17.24

The following dividends were proposed by the board of directors in their meeting subject to approval of shareholders at the Annual General Meeting and are not recognised as a liability:

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
For the year ended 31 st March, 2022 – 75% i.e. ₹1.50 per equity share (31 st March, 2021 – 100% i.e. ₹2.00)	36.93	49.25

Notes to the consolidated financial statements

Note - 49 Income Tax

(A) Amounts recognised in Statement of Profit and Loss

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Current Tax	160.21	140.06
Deferred Tax	(51.50)	53.28
- Relating to Origination and Reversal of Temporary Differences		
- MAT Credit Entitlement	-	7.57
Total Deferred Tax	(51.50)	60.85
Income Tax Expense Reported in the Statement of Profit or Loss	108.71	200.91

(B) Income Tax recognised in Other Comprehensive Income

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Deferred tax on Re-measurement Losses on Defined Benefit Plans	(2.33)	(2.07)

(C) Reconciliation of Effective Tax Rate

Particulars	₹ in Crores (10 Million)	
	2021-2022	2020-2021
Accounting Profit Before Income Tax	309.01	534.35
At applicable Statutory Income Tax Rate @ 34.944%	107.98	186.72
Differential Tax Rates of Subsidiaries	(13.88)	(13.96)
Others	14.61	7.16
Income Tax Expense (without taking effect of Deferred Tax Reversal pertaining to earlier years) (A)	108.71	179.92
Effective Tax Rate	35.18%	33.67%
Reversal of Deferred Tax Liabilities and MAT Credit Entitlement pertaining to earlier years* (B)	-	20.99
Income Tax Expense reported for the year (A+B)	108.71	200.91

* 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 read with Notification dated 1st October 2020 and based upon expert opinion, CL re-assessed Deferred Tax Liability @25.17% (as against 34.94% earlier). Accordingly, during the previous year, reversal had been made for MAT credit of ₹7.57 crores and Deferred Tax Liability of ₹13.42 crores no longer required.

(D) Reconciliation of Deferred Tax Liabilities (Net)

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Opening Balance	322.06	202.95
Deferred Tax Expense recognised in:		
Statement of Profit or Loss	(51.50)	60.85
Other Comprehensive Income	(2.33)	(2.07)
Foreign Currency Translation Difference	0.23	1.90
Deferred Tax Liabilities / (Assets)	268.46	263.63
MAT Credit Utilisation	49.74	58.43
Deferred Tax Liabilities (Net)	318.20	322.06



Notes to the consolidated financial statements

Note - 50 Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Company:

₹ in Crores (10 Million)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
(i) Financial Assets				
(a) At Fair Value through Profit and Loss				
- Investments	25.20	25.20	21.24	21.24
- Others	19.47	19.47	5.33	5.33
(b) At Amortised Cost				
- Investments	45.71	45.71	65.87	65.87
- Trade Receivables	1979.86	1979.86	1575.42	1575.42
- Others	502.64	502.64	445.80	445.80
Total	2572.88	2572.88	2113.66	2113.66
(ii) Financial Liabilities				
(a) At Fair Value through Profit and Loss	-	-	3.55	3.55
(b) At Amortised Cost				
- Borrowings	5115.20	5115.20	4656.49	4656.49
- Trade Payables	2188.52	2188.52	1574.07	1574.07
- Others	1137.96	1137.96	1260.63	1260.63
Total	8441.68	8441.68	7494.74	7494.74

The following methods and assumptions were used to estimate the fair values:

- Cash and short-term deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. As at end of each reporting year, the carrying amounts of such receivables, net of allowances (if any), are not materially different from their calculated fair values.
- Fair value of Investments in quoted mutual funds and equity shares are based on quoted market price at the reporting date. The fair value of unquoted Investments in preference shares are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The fair value of unquoted Investments in equity shares are estimated on net assets basis.
- Fair value of borrowings from banks and other non-current financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.
- The fair values of derivatives are calculated using the RBI reference rate as on the reporting date as well as other variable parameters.

Fair Value Hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted prices in active markets.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data.

Notes to the consolidated financial statements

The following table presents the fair value measurement hierarchy of financial assets and liabilities, which have been measured subsequent to initial recognition at fair value as at 31st March, 2022 and 31st March 2021:

₹ in Crores (10 Million)

Particulars	Level 1	Level 2	Level 3
31st March, 2022			
Financial Assets			
- Quoted Equity Shares	4.21	-	-
- Unquoted Equity Shares	-	-	6.56
- Unquoted Preference Shares	-	-	13.42
- Mutual Funds	1.01	-	-
- Forward Contracts	-	7.59	-
- Option Contracts	-	11.88	-
31st March, 2021			
Financial Assets			
- Quoted Equity Shares	3.08	-	-
- Unquoted Equity Shares	-	-	5.22
- Unquoted Preference Shares	-	-	12.09
- Mutual Funds	0.85	-	-
- Forward Contracts	-	5.33	-
Financial Liabilities			
- Option Contracts	-	3.55	-

There has been no transfer among levels 1, 2 and 3 during the year ended 31st March, 2022.

Note - 51

The fair value of Investment property as per registered valuer report as at 31st March, 2022 is ₹13.07 crores (as at 31st March, 2021: ₹12.41 crores) after considering the rental income from current leases and other assumptions that market participants would use when pricing investment property under current market conditions.

Note - 52 Financial Risk Management Objectives And Policies

The Company activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate risk and commodity price risk), credit risk and liquidity risk.

- Market Risk:** Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises mainly three types of risk: interest rate risk, currency risk and other price risk such as commodity price risk.

- Foreign Currency Risk:** Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has obtained foreign currency borrowings and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

After taking cognisance the natural hedge, the Company takes appropriate hedges to mitigate its risk resulting from fluctuations in foreign currency exchange rate(s).



Notes to the consolidated financial statements

Foreign Currency Sensitivity: The following table demonstrates the sensitivity to a reasonably possible change in USD with all other variables held constant. The impact on the Company's profit before tax due to changes in the foreign exchange rate is as follows:

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Change in USD	+ ₹0.25	+ ₹0.25
Effect on Profit before Tax	(4.52)	(4.11)
Change in USD	- ₹0.25	- ₹0.25
Effect on Profit before Tax	4.52	4.11

Forward Contracts for hedging Receivables: US \$ 121.80 Million (Previous year: US \$ 97.68 Million) are outstanding as at 31.03.2022.

Foreign currency exposure unhedged net payable is ₹1368.71 crores – US \$ 180.71 Million (Previous year: ₹1207.67 crores – US \$ 164.67 Million) as at 31.03.2022.

- **Interest Rate Risk:** Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any changes in the interest rates environment may impact future rates of borrowing. The Company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments, interest rate negotiations with the lenders for ensuring the cost-effective method of financing.

Interest Rate Sensitivity: The following table demonstrates the sensitivity to a reasonable possible change in interest rates on financial assets affected. With all other variables held constant, the Company's profit before tax is affected through the impact on finance cost with respect to our borrowing, as follows:

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Change in Basis Points	+ 25	+ 25
Effect on Profit before Tax	(12.79)	(11.64)
Change in Basis Points	- 25	- 25
Effect on Profit before Tax	12.79	11.64

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

- **Commodity Price Risk:** The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of raw material and manufacturing of tyres and therefore require a continuous supply of certain raw materials such as natural rubber, synthetic rubber, carbon black, fabric, bead wire rubber chemicals etc., To mitigate the commodity price risk, the Company has an approved supplier base to get best competitive prices for the commodities and to assess the market to manage the cost without any compromise on quality.
- **Credit Risk:** Credit risk is the risk that counterparty might not honor its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).
- **Trade Receivables:** Customer credit risk is managed based on the Company's established policy, procedures and controls. The Company assesses the credit quality of the counterparties taking into account their financial position, past experience and other factors.
Credit risk is reduced by receiving pre-payments and export letter of credit to the extent possible. The Company has a well-defined sales policy to minimize its risk of credit defaults. Outstanding customer receivables are regularly monitored and assessed. Impairment analysis is performed based on historical data at each reporting date on an individual basis. However, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

Notes to the consolidated financial statements

Credit Risk Exposure: The allowance for expected credit loss on customer balances for the year ended 31st March, 2022 and 31st March, 2021:

Particulars	₹ in Crores (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Balance at the beginning	22.08	18.54
Add: Provision created during the Year	8.00	2.50
Foreign Currency Translation Difference	0.55	1.04
Balance at the End	30.63	22.08

- **Deposits with Bank:** The deposits with banks constitute mostly the liquid investment of the Company and are generally not exposed to credit risk.
- **Liquidity Risk:** Liquidity risk is the risk where the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The table below summarises maturity profile of the Company's financial liabilities based on contractual payments:

Particulars	₹ in Crores (10 Million)	
	Upto 5 years	> 5 years
As at 31st March 2022		
Borrowings *	3974.70	1140.50
Trade and Other Payables	2188.52	-
Lease Liabilities	100.15	5.03
Other Financial Liabilities	396.40	636.38
Total	6659.77	1781.91
As at 31st March 2021		
Borrowings *	3525.69	1130.80
Trade and Other Payables	1574.07	-
Lease Liabilities	134.71	9.50
Other Financial Liabilities	507.91	612.06
Total	5742.38	1752.36

* Including working capital facility from consortium banks renewed every year.

Note - 53 Capital Management

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the Company may use appropriate means to enhance or reduce capital, as the case may be.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net Debt is calculated as borrowings less cash and cash equivalents.



Notes to the consolidated financial statements

₹ in Crores (10 Million)

Particulars	As at 31.03.2022	As at 31.03.2021
Borrowings	5115.20	4656.49
Less: Cash and Cash equivalents	94.05	88.66
Net debt	5021.15	4567.83
Equity Share Capital	49.25	49.25
Other Equity	2799.06	2623.49
Total Capital	2848.31	2672.74
Capital and Net Debt	7869.46	7240.57
Gearing Ratio	63.81%	63.09%

Note - 54 Material Non-Controlling Interest in Subsidiary

Summarised financial information of Cavendish Industries Limited, which has material non-controlling interest:

₹ in Crores (10 Million)

Particulars	As at 31.03.2022	As at 31.03.2021
Assets		
Non-current Assets	2622.74	2642.47
Current Assets	1123.95	890.88
Liabilities		
Non-current Liabilities	1631.51	1789.04
Current Liabilities	1323.40	962.35
Equity	791.78	781.96
Percentage of Ownership held by Non-controlling Interest	12.52%	13.59%
Accumulated Non-controlling interest	99.16	106.29

₹ in Crores (10 Million)

Particulars	2021-2022	2020-2021
Revenue	2988.34	2570.72
Net Profit / (Loss)	(64.61)	85.26
Other Comprehensive Income	0.07	(0.06)
Total Comprehensive Income	(64.54)	85.20
Total Comprehensive Income allocated to Non-controlling Interests	(8.77)	11.58

₹ in Crores (10 Million)

Particulars	As at 31.03.2022	As at 31.03.2021
Net Cash Inflow / (Outflow) from Operating Activities	125.63	174.81
Net Cash Inflow / (Outflow) from Investing Activities	(83.15)	(106.08)
Net Cash Inflow / (Outflow) from Financing Activities	(42.97)	(57.39)
Net Cash Inflow / (Outflow)	(0.49)	11.34

Notes to the consolidated financial statements

Note - 55 Interest in Associates

The summarised aggregate financial information of individually immaterial associates as follows:

₹ in Crores (10 Million)

Particulars	As at 31.03.2022	As at 31.03.2021
Carrying Amount of Interests in Associates	75.26	72.00
Share in Profit / (Loss)	0.94	(2.51)
Share in Total Comprehensive Income	0.94	(3.57)

Note - 56 Consolidated Net Assets and Share in Consolidated Profit & Loss

₹ in Crores (10 Million)

Sl. No.	Name of the entity	Net Assets, (i.e., total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
1	2	3	4	5	6	7	8	9	10
A Parent									
	JK Tyre & Industries Limited	51.16%	1457.15	87.52%	183.83	-42.34%	(6.08)	79.21%	177.75
B Subsidiaries									
(a) Indian									
1	3DInnovations Pvt. Ltd.	0.02%	0.68	0.00%	0.01	-	-	0.00%	0.01
2	Cavendish Industries Limited	30.03%	855.47	-31.26%	(65.66)	0.49%	0.07	-29.23%	(65.59)
(b) Foreign									
1	J. K. International Ltd.	0.00%	0.01	-	-	-	-	-	-
2	J. K. Asia Pacific Ltd.	0.12%	3.34	0.09%	0.18	0.21%	0.03	0.09%	0.21
3	J. K. Asia Pacific (S) Pte. Ltd.	0.04%	1.01	0.04%	0.08	0.07%	0.01	0.04%	0.09
4	Lankros Holdings Ltd.	0.00%	(0.10)	0.00%	(0.00)	-0.21%	(0.03)	-0.01%	(0.03)
5	Sarvi Holdings Switzerland AG.	0.00%	(0.14)	-0.11%	(0.23)	-0.14%	(0.02)	-0.11%	(0.25)
6	JK Tornel SA de CV & its Subsidiaries	20.19%	575.38	39.10%	82.09	130.64%	18.76	44.95%	100.85
6.1	JK Tornel S.A. de C.V. (JKTSA)	-8.60%	(245.06)	31.94%	67.07	0.00%	-	29.89%	67.07
6.2	Comercializadora América Universal, S.A. de C.V.*	0.00%	(0.06)	0.03%	0.06	0.00%	-	0.03%	0.06
6.3	Compañía Hulera Tacuba, S.A. de C.V.*	1.69%	48.25	1.25%	2.62	0.00%	-	1.17%	2.62
6.4	Compañía Hulera Tornel, S.A. de C.V.*	24.33%	693.37	-1.09%	(2.29)	115.53%	16.59	6.37%	14.30
6.5	Compañía Inmobiliaria Norida, S.A. de C.V.*	2.48%	70.65	1.31%	2.75	0.00%	-	1.23%	2.75
6.6	General de Inmuebles Industriales, S.A. de C.V.*	0.22%	6.40	0.16%	0.33	0.00%	-	0.15%	0.33
6.7	Gintor Administración, S.A. de C.V.*	-0.05%	(1.56)	5.06%	10.63	15.11%	2.17	5.70%	12.80
6.8	Hules y Procesos Tornel, S.A. de C.V.*	0.12%	3.39	0.44%	0.92	0.00%	-	0.41%	0.92
	Less: Non-controlling Interest [@]	-3.48%	(99.16)	4.18%	8.78	-0.07%	(0.01)	3.91%	8.77



Notes to the consolidated financial statements

₹ in Crores (10 Million)

Sl. No.	Name of the entity	Net Assets, (i.e., total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
C Associates (Investment as per the equity method)									
Indian									
1	Hari Shankar Singhania Elastomer & Tyre Research Institute [§]	-	-	-	-	-	-	-	-
2	Dwarkesh Energy Limited	0.00%	0.03	-	-	-	-	-	-
3	Treel Mobility Solutions Pvt. Ltd.	0.00%	(0.14)	-0.13%	(0.27)	-	-	-0.12%	(0.27)
Foreign									
1	Valiant Pacific LLC	1.93%	55.09	0.25%	0.53	11.63%	1.67	0.98%	2.20
2	Western Tire Holdings, Inc.	-0.01%	(0.31)	0.32%	0.68	-0.28%	(0.04)	0.29%	0.64
TOTAL		100.00%	2848.31	100.00%	210.02	100.00%	14.36	100.00%	224.38

* Subsidiaries of JK TSA

© Insignificant and immaterial Non-controlling Interest is not considered.

§ Approved Scientific and Research Institute, which cannot be consolidated as the equity of the said Institute is not available for distribution to its members.

Note - 57

Figures less than ₹50000 have been shown at actual in bracket.

Note - 58

Figures pertaining to Subsidiary Companies have been reclassified wherever necessary to bring them in line with the Parent Company's Financial Statements.

Note - 59

Previous year figures have been reclassified / regrouped, wherever necessary.

As per our report of even date

For S S KOTHARI MEHTA & COMPANY

Chartered Accountants

Firm Registration No. - 000756N

HARISH GUPTA

Partner

Membership No. - 098336

New Delhi, the 20th May, 2022SANJEEV AGGARWAL
Chief Financial OfficerP. K. RUSTAGI
Company SecretaryDr. Raghupati Singhania
Anshuman SinghaniaBharat Hari Singhania
Smt. Sunanda Singhania
Shreekant Somany
Kalpataru Tripathy
Bakul Jain
Smt. Meera Shankar
Arun K. BajoriaChairman & Managing Director
Managing Director

Directors

Consolidated Cash Flow Statement for the year ended 31st March, 2022

₹ in Crores (10 Million)

Sl. No.	Particulars	2021-2022	2020-2021
A. CASH FLOW FROM OPERATING ACTIVITIES:			
	Net Profit before Tax	309.01	534.35
	Adjustment for:		
	Depreciation and Amortisation Expense	385.36	386.69
	Finance Costs	419.09	465.85
	(Profit) / Loss on sale of Property, Plant and Equipment	0.06	(0.82)
	Fair Value Changes in Non-current Investments	(2.64)	(3.70)
	Unrealised Foreign Exchange Fluctuation	(20.13)	(117.79)
	Foreign Currency Translation gain / (loss) on Consolidation	(4.69)	2.52
	Interest / Dividend Received	(27.92)	(34.01)
	Allowance for Doubtful Debts / Advances and Bad debts written off	8.00	2.50
	Operating Profit before Working Capital changes	1066.14	1235.59
	(Increase) / Decrease in Trade and Other Receivables	(553.20)	398.10
	(Increase) / Decrease in Inventories	(627.82)	(150.66)
	Increase / (Decrease) in Trade and Other Payables	530.76	204.34
	Cash generated from Operations	415.88	1,687.37
	Direct Taxes (net)	(69.83)	(88.93)
	Net Cash from Operating Activities	346.05	1,598.44
B. CASH FLOW FROM INVESTING ACTIVITIES:			
	Purchase of Property, Plant and Equipment	(314.21)	(193.09)
	Sale of Property, Plant and Equipment	22.21	33.37
	Redemption of Investments	25.00	-
	Purchase of Investments	-	(0.21)
	Deposit Accounts with Banks	(5.74)	(7.54)
	Interest Received	26.86	28.85
	Dividend Received	0.60	0.70
	Net Cash used in Investing activities	(245.28)	(137.92)
C. CASH FLOW FROM FINANCING ACTIVITIES:			
	Proceeds / (Utilisation) from Short-term Borrowings (Net)	876.64	(817.57)
	Proceeds from Long-term Borrowings	513.32	620.17
	Repayment of Long-term Borrowings	(960.88)	(700.74)
	Payment of Lease Liabilities	(50.80)	(54.42)
	Finance Costs paid	(425.37)	(470.96)
	Dividend paid	(49.25)	(17.24)
	Transactions with Non-controlling Interest	0.15	-
	Net Cash used in Financing Activities	(96.19)	(1440.76)
	Net increase / (decrease) in Cash and Cash Equivalents	4.58	19.76
	Cash and Cash Equivalents as at the beginning of the year	88.66	65.39
	Foreign Currency Translation gain / (loss) on Cash and Cash Equivalents	0.81	3.51
	Cash and Cash Equivalents as at the end of the year	94.05	88.66



Consolidated Cash Flow Statement for the year ended 31st March, 2022

Notes:

Sl. No.	Particulars	₹ in Crores (10 Million)	
		2021-2022	2020-2021
1	Cash and Cash Equivalents include:		
	- Cash, Cheques on hand and Remittances in transit	25.43	13.89
	- Balances with Banks	67.81	71.26
	- Unrealised Translation gain / (loss) on Foreign Currency balances	0.81	3.51
	Total	94.05	88.66

2. Non Cash Changes in liabilities arising from financing activities:

Particulars	As At 31.03.2021	Cash Flows	Non- Cash Changes		As At 31.03.2022
			Foreign Exchange Movement	Others	
Short-term Borrowings	1155.57	876.64	0.04	11.97	2044.22
	(1973.64)	(-817.57)	(-37.44)	(36.94)	(1155.57)
Long-term Borrowings	3500.92	(447.56)	17.73	(0.11)	3070.98
	(3575.06)	(-80.57)	(-50.99)	(57.42)	(3500.92)
Lease Liabilities	144.21	(50.80)	0.01	11.76	105.18
	(186.38)	(-54.42)	-	(12.25)	(144.21)
Total Liabilities from Financing Activities	4800.70	378.28	17.78	23.62	5220.38
Previous year	(5735.08)	(-952.56)	(-88.43)	(106.61)	(4800.70)

Figures in brackets represent amounts pertaining to previous year.

As per our report of even date

For S S KOTHARI MEHTA & COMPANY

Chartered Accountants

Firm Registration No. - 000756N

HARISH GUPTA

Partner

Membership No. - 098336

New Delhi, the 20th May, 2022

SANJEEV AGGARWAL
Chief Financial Officer

P. K. RUSTAGI
Company Secretary

Dr. Raghupati Singhania
Anshuman Singhania

Bharat Hari Singhania
Smt. Sunanda Singhania

Shreekant Somany
Kalpataru Tripathy
Bakul Jain
Smt. Meera Shankar
Arun K. Bajoria

Chairman & Managing Director
Managing Director

Directors

Form AOC-I

Financial Information of Subsidiaries and Associate companies (Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of companies (Accounts) Rules, 2014)

Part 'A': Subsidiaries

Sl. No.	Name of Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency	Closing Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Proposed Dividend	% of Shareholding
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	J. K. International Ltd.	N.A	Pound	99.2734	1.84	(1.83)	0.01	0.01	-	-	-	-	-	-	100.00
2	J. K. Asia Pacific Ltd.	N.A	HKD \$	9.6529	1.93	0.23	3.94	3.94	0.57	0.83	0.19	-	0.19	-	100.00
3	J. K. Asia Pacific (S) Pte. Ltd.	N.A	SGD \$	55.8261	0.73	0.49	1.41	1.41	0.41	0.66	0.08	-	0.08	-	100.00
4	3Dinnovations Pvt. Ltd.	N.A	INR	N.A	1.50	(0.82)	0.68	0.68	-	0.02	0.02	0.01	0.01	-	100.00
5	Cavendish Industries Ltd.	N.A	INR	N.A	59.97	731.81	3746.69	3746.69	-	2988.34	(86.30)	(21.69)	(64.61)	-	87.48
6	Lankros Holdings Ltd.	N.A	Euro	84.0142	36.09	45.98	82.43	82.43	80.85	0.03	0.01	-	0.01	-	100.00
7	Sarvi Holdings Switzerland AG.	N.A	CHF	81.8518	55.97	47.30	103.92	103.92	103.75	-	(0.21)	0.01	(0.22)	-	100.00
8	JK Tormel, S.A. de C.V.	N.A	MXN PESO	3.8007	70.81	(252.85)	453.22	453.22	233.36	1146.42	88.17	23.89	64.29	-	99.98
9	Comercializadora América Universal, S.A. de C.V.	N.A	MXN PESO	3.8007	0.02	3.82	4.09	4.09	-	0.09	0.08	0.02	0.06	-	99.98
10	Compañía Hulera Tacuba, S.A. de C.V.	N.A	MXN PESO	3.8007	0.38	47.77	51.97	51.97	-	6.66	3.54	0.82	2.72	-	99.98
11	Compañía Hulera Tormel, S.A. de C.V.	N.A	MXN PESO	3.8007	128.29	293.53	1102.26	1102.26	0.00	1998.86	20.94	23.32	(2.38)	-	99.98
12	Compañía Inmobiliaria Norida, S.A. de C.V.	N.A	MXN PESO	3.8007	1.37	126.69	157.80	157.80	-	8.09	2.14	(0.71)	2.86	-	99.98
13	General de Inmuebles Industriales, S.A. de C.V.	N.A	MXN PESO	3.8007	0.04	38.82	47.86	47.86	-	1.96	0.07	(0.27)	0.34	-	99.98
14	Gintor Administración, S.A. de C.V.	N.A	MXN PESO	3.8007	0.01	53.10	60.49	60.49	-	31.08	14.82	3.78	11.04	-	99.98
15	Hules y Procesos Tormel, S.A. de C.V. (* ₹ 1900)	N.A	MXN PESO	3.8007	*	13.50	16.44	16.44	-	1.72	1.03	0.07	0.96	-	99.98

Notes

1. Name of subsidiaries which are yet to commence operations - N.A.
2. Name of Subsidiaries which have been liquidated or sold during the year - N.A.



Part "B": Associates

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associates

₹ in Crores (10 Million)

Sl. No.	Name of Associates	Valiant Pacific LLC	Hari Shankar Singhania Elastomer & Tyre Research Institute (HASETRI)	Dwarkesh Energy Ltd.	Treel Mobility Solutions Pvt. Ltd.	Western Tire Holdings, Inc.
1	Latest audited Balance Sheet Date	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022*
2	Share of Associates held by the Company on the year end					
	No. of Shares	147	24	350000	3737	400
	Amount of Investment in Associates	0.21	(₹2400)	0.35	6.30	(₹26204)
	Extent of Holding %	49.00%	24.00%	35.00%	26.00%	40.00%
3	Description of how there is significant influence	Holding > 20 %	Holding > 20 %	Holding > 20 %	Holding > 20 %	Holding > 20 %
4	Reason why the Associate is not consolidated	N.A	HASTERI, an approved Scientific and Research Institute (a non-profit organisation) cannot be consolidated as the equity of the said Institute is not available for distribution.	N.A	N.A	N.A
5	Networth attributable to shareholding as per latest audited Balance Sheet	55.68	15.80 [®]	0.38	1.36	2.07
6	Profit / (Loss) for the year					
	Considered in Consolidation	0.91	-	-	(0.27)	2.34
	Not Considered in Consolidation	0.94	(0.07)	-	(0.75)	3.51

* Exempt from audit.

® Not Considered in Consolidation

1. Name of Associates which are yet to commence operations - Dwarkesh Energy Limited is in the process of setting up the power project of 1320 MW in the state of Madhya Pradesh at Khandwa.

2. Name of Associates which have been liquidated or sold during the year - N.A.

As per our report of even date

For S S KOTHARI MEHTA & COMPANY

Chartered Accountants

Firm Registration No. - 000756N

HARISH GUPTA

Partner

Membership No. - 098336

New Delhi, the 20th May, 2022SANJEEV AGGARWAL
Chief Financial OfficerP. K. RUSTAGI
Company SecretaryDr. Raghupati Singhania
Anshuman Singhania
Chairman & Managing Director
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Smt. Sunanda Singhania
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Kalpataru Tripathy
Bakul Jain
Smt. Meera Shankar
Arun K. Bajoria
Directors

THE DETAILS PERTAINING TO REMUNERATION FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022, AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Non-executive Directors: Shri Arvind Singh Mewar – 2.7, Shri Bakul Jain – 2.7, Smt. Sunanda Singhania – 2.7, Shri Kalpataru Tripathy – 2.7, Shri Vimal Bhandari – 2.7, Dr. Wolfgang Holzbach – 2.7, Shri Shreekant Somany – 2.7, Smt. Meera Shankar – 2.7 and Shri Bharat Hari Singhania (w.e.f. 1st October, 2021) – 49.1.Executive Directors: Dr. Raghupati Singhania, Chairman & Managing Director – 242.6; Shri Anshuman Singhania, Managing Director – 173.7, Shri Arun K. Bajoria, Director & President - International Operations – 101.2 and Shri Bharat Hari Singhania; Managing Director (till 30th September, 2021) – 68.9.

(b) The percentage increase in remuneration of each director, chief executive officer, chief financial officer and company secretary in the financial year:

During the financial year, remuneration of Dr. Raghupati Singhania, Chairman & Managing Director and Shri Anshuman Singhania, Managing Director decreased by 16.9% and 23.8% respectively and remuneration of Shri Arun K. Bajoria, Director & President - International Operations increased by 20.5%. The remuneration of each non-executive directors, namely - Shri Arvind Singh Mewar, Shri Bakul Jain, Smt. Sunanda Singhania, Shri Vimal Bhandari, Dr. Wolfgang Holzbach, Shri Kalpataru Tripathy, Shri Shreekant Somany and Smt. Meera Shankar decreased by 12.5%. Shri Bharat Hari Singhania was Managing Director upto 30th September, 2021 and thereafter, he was appointed as Non-executive director w.e.f. 1st October, 2021, therefore, his remuneration was not comparable with previous year. The remuneration of Shri Sanjeev Aggarwal, Chief Financial Officer increased by 23.4% and Shri P. K. Rustagi, Company Secretary increased by 33.6%.

(c) The percentage increase in the median remuneration of employees in the financial year: 1.6%

(d) The number of permanent employees on the rolls of the Company: 5,904

(e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: During the financial year 2021-22, average increase in the salaries of employees other than the Managerial Personnel was 6.8% and decrease for Managerial Personnel was 36.5%.

(f) Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms that the remuneration is as per the remuneration policy of the Company.

BRAND COMMUNICATION 2021-22





JK TYRE & INDUSTRIES LTD.

Administrative Office

3, Bahadur Shah Zafar Marg, New Delhi – 110 002
Ph.: +91 1166001112, +91 11 66001122

Registered Office

Jaykaygram, PO – Tyre Factory, Kankroli – 313 342, Rajasthan