

A N N U A L R E P O R T 2 0 1 0 - 2 0 1 1



Committed to
Quality

C O N T E N T S

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Dear Fellow Shareholders,

Indian economy is growing at a rapid pace having recorded a GDP growth of around 8.5% for the year 2010-11. It augurs well for the Indian industry.

Inflation remains a cause of worry. Commodity and crude prices increased steeply during the year which had spiraling affect on the raw material costs across the industry. Recent Government policy initiatives have led to increase in the interest costs. As a result, industrial production slowed down to some extent in the second half of the year.

The automotive sector has performed well during the year with an overall growth of 27%. Production of Truck/Bus increased by 38% and that of Passenger Car by 28%. This growth rate has resulted in robust demand for tyres.

It is a matter of satisfaction that JK Tyre has recorded 33% growth in its Sales Turnover. Profitability was affected due to high raw material costs

which had to be absorbed by the Company, as the tyre prices have not kept pace which such steep cost increase.

JK Tornel, Mexico, a wholly owned subsidiary of your Company also recorded 29% growth in sales and has contributed to the Net Profit of the Company.

JK Tyre, the pioneer in radials, continues to maintain its leadership in the Truck/Bus radial segment. Truck radialisation in India is catching up fast and is expected to accelerate further in the years ahead. Your Company is making large investments to further enhance its Truck/Car radial capacities.

Research & Technology are the main stay of your Company's leadership. The Company has made substantial investment in that regard, to further cement its leadership in the Tyre industry.

I would like to thank all our stakeholders i.e. channel partners, suppliers, financial institutions, Banks and above all our people for their whole hearted support in our endeavours.

With your support, dear Shareholders, JK Tyre will continue to make strides and achieve still greater heights in the times ahead.

Best wishes,

Hari Shankar Singhania
Chairman



Dear Shareholders,

Automotive industry has been growing at an impressive pace, thus propelling the growth of the Indian tyre industry.

The turnover of the Company was an all time high at ₹ 5,268 Crores recording an increase of 33% over the previous year. The consolidated turnover, including JK Tormel – Mexico, was ₹ 6,421 Crores.

The year witnessed an unprecedented increase in prices of raw materials. Natural Rubber prices almost doubled during the year, due to inadequate supply in face of rising demand. Prices of petroleum based raw materials also showed an upward trend, on account of high crude prices. The increase in selling prices could not cover the high cost increases witnessed during the year.

The Company achieved yet another milestone, when it was awarded **“2010 TPM Excellence Award”** by **JIPM** (Japan Institute of Plant Maintenance), in one go, for all its manufacturing locations. It is satisfying that this significant achievement is the first in the entire Indian tyre industry. This reaffirms our Commitment to Quality in our endeavour to deliver world-class products and services.

Your Company is implementing ambitious expansion projects including setting up a green site plant near Chennai. These projects are progressing well and are expected to be completed on schedule. The completion of these projects will further strengthen JK Tyre’s leadership position in the markets.

JK Tyre, the leader in Motorsport has taken yet another major step by acquiring the title rights of renowned world series ‘Formula BMW Pacific’ which, now, is known as “JK Racing Asia Series”.

People are our most precious assets and the Team JK Tyre is committed to rise to every challenge, to meet the growing aspiration of the customers both in India and abroad.

With your continuous support, I am confident that JK Tyre would fulfill its growth aspirations and continue to play its humble role in industrialisation of India.

Best wishes,

A handwritten signature in black ink, appearing to read 'Raghupati Singhania', written in a cursive style.

Raghupati Singhania

Vice Chairman & Managing Director



BOARD OF DIRECTORS

Hari Shankar Singhania

Chairman

Dr. Raghupati Singhania
Vice Chairman & Managing Director

Bharat Hari Singhania
Managing Director

Arvind Singh Mewar

Bakul Jain

Ashok U. Katra

Om Prakash Khaitan

Kalpataru Tripathy

Vikrampati Singhania
Dy. Managing Director

Swaroop Chand Sethi
Whole-time Director

Arun K. Bajoria
President & Director

AUDITORS

Lodha & Co.
Chartered Accountants

BANKERS

Bank of India
Corporation Bank
IDBI Bank Ltd.
Indian Bank
Punjab National Bank
State Bank of Bikaner & Jaipur
State Bank of India
State Bank of Mysore
Syndicate Bank
The Federal Bank Ltd.
UCO Bank

PLANTS

Jaykaygram, Kankroli, Rajasthan
Banmore, Madhya Pradesh
Mysore Plant I, Karnataka
Mysore Plant II, Karnataka
Mysore Plant III, Karnataka

REGISTERED OFFICE

7, Council House Street,
Kolkata - 700 001

ADMINISTRATIVE OFFICE

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

VICE PRESIDENT (LEGAL) &
COMPANY SECRETARY

P K Rustagi

Visit us at www.jktyre.com

CENTENARY CELEBRATIONS

OF LALA LAKSHMIPAT SINGHANIA

Your Company observed the year as Birth Centenary Year of Late Lala Lakshmiapat Singhania, who was a great visionary and a Key Architect of J.K. Organisation. During the year long celebrations, pursuing the ideal of "Caring for the Society", JK Tyre organised various programmes, reaching out to those sections of society who are less privileged, in the vital areas of education, adult literacy, healthcare, sports as also for environmental protection.

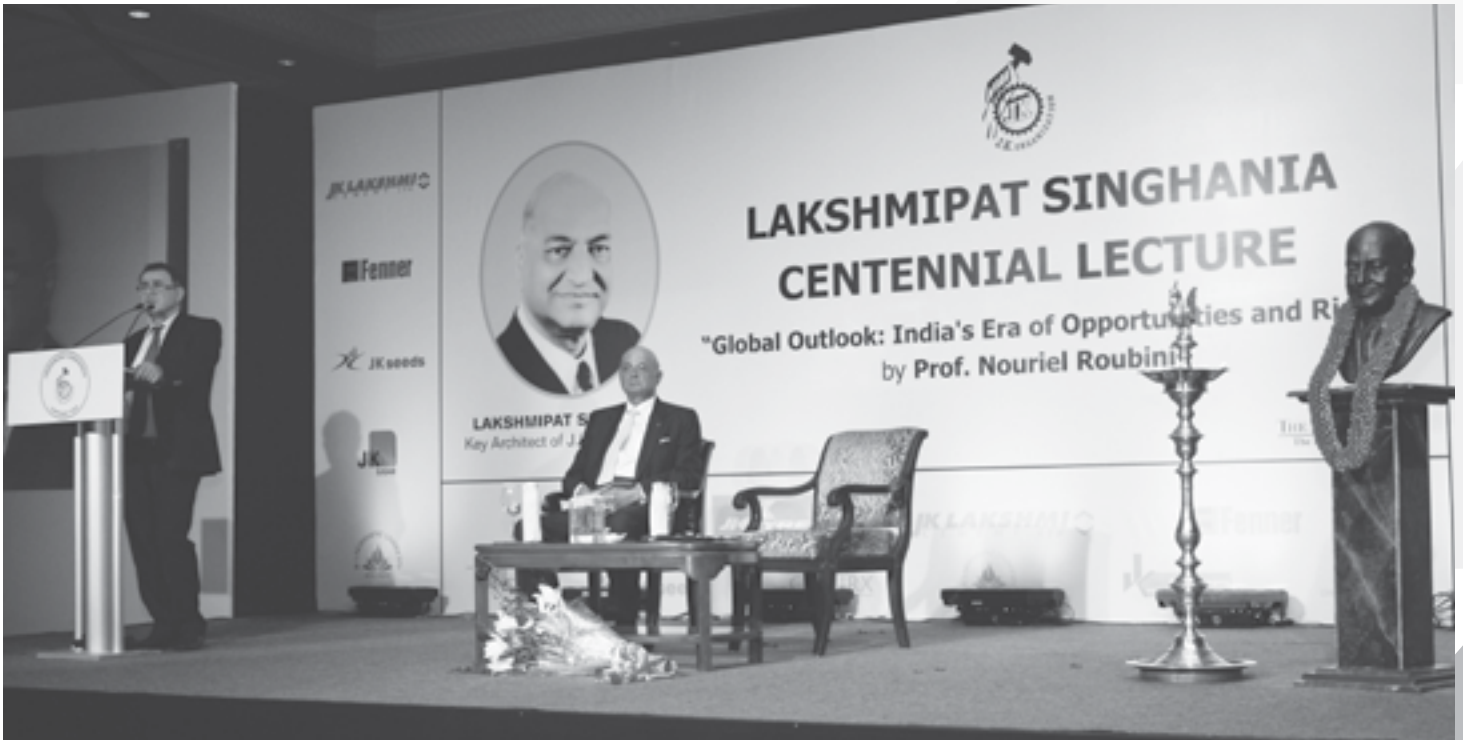
One of the major initiatives taken was to set-up 'JK Lakshmiapat University' near Jaipur, which will be dedicated to both Management as well as Technological studies. Your Company has also participated in this project, which is expected to start with the admission of first batch of students in the year 2011 itself.

The noted economist, Prof. Nouriel Roubini of New York University, delivered a Centenary Lecture in his honour, at a well attended function in New Delhi.

It was only befitting that the Nation honoured him by release of a Postage Stamp in his memory, in the hands of Hon'ble President of India, Smt. Pratibha Devisingh Patil, at the Rashtrapati Bhawan.



At a Centenary function held at JK Tyre Plant in Mysore, Dr. Raghupati Singhania distributing teaching aids to students of a school for under privileged children



Prof. Nouriel Roubini delivering the Centenary Lecture in Delhi



Hari Shankar Singhania with Hon'ble President of India Smt. Pratibha Devisingh Patil at Postage Stamp release ceremony



Dr. Raghupati Singhania at the Centenary Celebration function at JK Tyre Plant, Banmore

TO THE MEMBERS

The Directors have pleasure in presenting the Annual Report and Audited Accounts of the Company for the year ended 31st March 2011.

OPERATIONS

Turnover for the year under review was ₹ 5268 Crores registering a growth of 33% over the previous year. Operating profit for the year was ₹ 277 Crores and Profit Before Tax was ₹ 92 Crores.

Automobile Sales across the sectors continued to grow robustly resulting in higher tyre demand. Spiraling increase in the prices of raw material and their availability is a matter of concern for the tyre industry. There was an unprecedented increase in the prices of natural rubber and other key raw materials. The prices of natural rubber almost doubled during the year. This along with increase in other input costs impacted the profitability of the Company. Several measures to improve all round operations and cost efficiencies were undertaken. However, the revision in selling prices could not keep pace with the abnormal increases in costs.



A.R. Shinde, U.K. Shenoy and A Chatterjee, the plant heads with Dr Mukhopadhyay, Director (R&D) accompanied by Arun K. Bajoria, President & Director of JK Tyre, alongwith Mr Yoshio Egami at TPM Excellence Award Ceremony at Kyoto, Japan

JK Tornel - Mexico, a wholly owned subsidiary of the Company also recorded a growth of 29% in turnover, at 3177 Million Pesos (₹ 1152 Crores), in face of the slow recovery in South & North American markets.

Despite severe cost pressures, operations contributed to the profitability of the Company.

With the Indian economy growing at a healthy pace and automobile industry making rapid strides, the demand of tyres is expected to increase sizably. Your Company has undertaken several expansion projects to meet the rising demand for its tyres.

DIVIDEND

Your Directors are pleased to recommend dividend of ₹ 3.00 per Equity Share of ₹ 10 each (i.e. 30 %) on the Equity Share Capital of ₹ 41.06 Crores. The dividend outgo will be ₹ 14.32 Crores (inclusive of dividend tax of ₹ 2.00 Crores).

APPROPRIATIONS

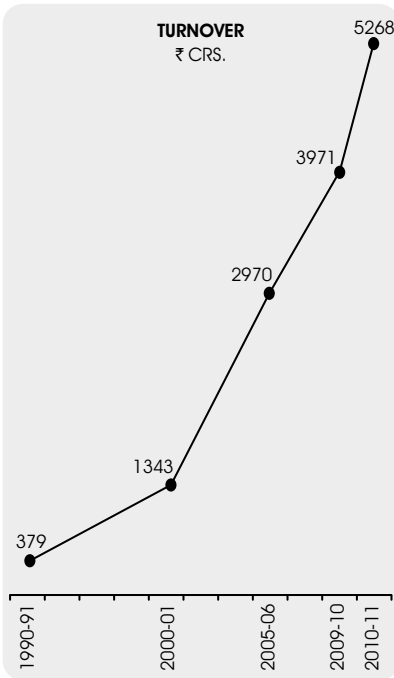
The amount available for appropriation, including surplus from previous year and debenture redemption reserve no longer required is ₹ 143.44 Crores. The Directors propose this to be appropriated as under:

	(₹ Crores)
General Reserve	80.00
Debenture Redemption Reserve	0.38
Dividend	12.32
Corporate Dividend Tax	2.00
Surplus carried to Balance Sheet	48.74
	143.44

QUALITY – A CREED AT JK TYRE

“Commitment to Excellence” is one of the core values of your Company. It is indeed a matter of great pride that your Company has been awarded **“2010 TPM Excellence Award”** by JIPM (Japan Institute of Plant Maintenance) in one go, outside Japan, for all its manufacturing locations. This more than exemplifies our commitment to excellence, in our endeavours to produce world-class products and provide pro-active service to our valued customers.

Besides maintaining ISO/TS-16949 Quality



Management System for Automotive Industry, JK Tyre ensures highest standards of health, safety and environment, while maintaining operational integrity. Your Company received OHSAS-18001 : 2007 for all its three plants at one go during the year.

Concern for "Environment" at

JK Tyre has a larger connotation. All our manufacturing facilities are non-pollutant, with zero-waste discharge to the public system. Further, thousands of trees are planted around our facilities, to not only improve the visual environment, but also to improve the quality of air around.

State-of-the-art Plant & Machinery which deliver high quality products are installed at all JK Tyre plants. Moreover, continuous upgradation of existing equipment ensure manufacture of high quality tyres incorporating latest technologies.

JK TYRE – MARCHING AHEAD

In face of the challenges in the year, your Company made significant strides.

- JK Tyre continues to be India's No. 1 Truck Bus Radial (TBR) manufacturer having crossed 4 million number mark. It has so far exported 1 million tyres to the global markets – testimony to the high quality of its tubeless TBRs.
- JK Tyre produced 1st time ever in the country, Ultra Large OTR Tyre of 12 ft height, weighing 3.6 Tons. This has been delivered to BEML - our prime

customer for these tyres. This has reinforced our leadership in the OTR segment.

- Capacity expansion of Passenger Car Radials by 5.34 lac tyres p.a. became fully operational.
- JK Tyre has been ranked 75th amongst India's 100 most valuable brands 2010, in a survey conducted by Indian Council for Market Research (ICMR) & 4P's Magazine. Last year, JK Tyre was selected as Super Brand for the years 2009-10 & 2010-11.

EXPANSION PROJECTS

The Company has undertaken several expansion projects to meet the growing demand for its tyres.

i) Truck Radials

As reported last year, the expansion project for further enhancing the capacity to 10 Lac tyres at the existing facility in Mysore is progressing as per schedule and the expanded capacity is expected to be available from the 2nd Quarter of the current year.

ii) Passenger Car Radials (PCR)

Project for enhancing Car Radial capacity by 5.34 lac p.a. at Company's Banmore Tyre Plant has been completed during the year.



Dr. Raghupati Singhania with his excellency Felipe Calderon, President of Mexico



JKTYRE



ROADS

45/70R14

77T

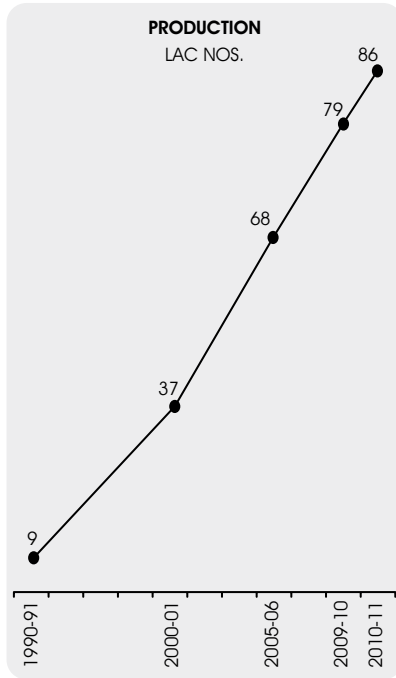
TORNEL

TORNADO



iii) Off The Road Tyres (OTR)

The expansion of OTR capacity was completed during the year which has enabled the Company to enhance its OTR range. Ultra Large OTR tyres and their supplies have commenced. This further reinforced the Company's leadership position in the OTR market, with highest market share.



NEW GREEN SITE PROJECT

Construction at the state-of-the-art radial tyre facility near Chennai commenced during the year. This facility slated to produce 25 Lac Car Radial tyres and 2 lac Truck / Bus Radials per annum, is expected to go on stream during the current year. Financing for this project has already been tied up.

With the completion of the above projects, the turnover of the Company is expected to increase significantly in the years ahead and reinforce JK Tyre's standing in the TBR and Car radial segments.

QUALITY - TECHNOLOGY

JK Tyre continues to be on the forefront of developing tyre technology in India. It deploys high quality testing equipments and investigative tools like Uniformity testing machine for large tyres, first in India, or Shearography machine or On-level tyre testing system – first of its kind in the world.

Applied research and development work in the field of materials, predictive technology, tyre characteristics testing and other allied areas are carried out both at its in-house R&D Centres as well as through collaborative

research work with premium research and development centres such as HASETRI. Your Company has also entered into unique industry academia collaboration with IIT Madras and set up a Centre of Excellence for vehicle dynamics & tyre mechanics techniques.

JK Tyre Test Track at Chennai provides strategic testing solutions to the Company.

QUALITY CUSTOMER SERVICES

At JK Tyre, there is constant endeavour to improve the quality of services to our customers. In addition to the wide network of dealers across the length and breadth of the country which ensure ready access to your Company's products, a chain of 125 'Steel Wheels' spread over 75 cities provide wide range of services and tyre care solutions to the passenger car tyre customers. Likewise, "JK Radial Tyre Care Centres" set up along the major national highways, facilitate repair and servicing including alignment / balancing of Truck/Bus radial tyres. This quality service helps customers derive optimum value out of high quality JK Truck/Bus radials. Further, providing pre and post sale services and technological assistance to the large fleet customers, is yet another initiative of the Company, to provide quality services under its fleet management programme.

JK TREAD

Retreading services under the brand 'JK Treads' provides end-to-end solutions to the customers and act as an enabler to derive enhanced value from Company's



commercial tyres, more so JK Truck / Bus radials. Large number of franchises have been appointed across the country for retreading both bias and radial truck tyres using JK Treads. Steps are underway to double the retread capacity to meet the growing demand for these high quality treads.

EXPORT

Your Company's export at ₹ 418 Crores was on back of the revival in the demand outlook in the international markets from the lows of the previous year.

JK Tyre enjoys premium brand status in various international markets including the Americas & Australia. Your Company continues to be a significant global player and exports its tyres over 80 countries across 6 continents offering wide range of quality products. Exports out of JK Tormel have further strengthened your Company's brand standing in the global markets.

MOTORSPORTS

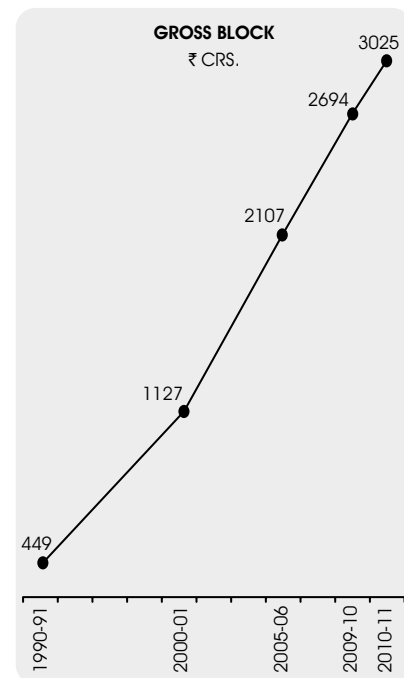
As is well known that JK Tyre has been promoting motorsports in India, successfully using it as a plank for its brand promotion. Towards this endeavour JK Tyre has acquired the title rights of renowned world series "Formula BMW Pacific" which now will be known as "JK Racing Asia Series" and the race cars will run on JK Tyres. These races will be run as support races with some F1 events and will have a large viewership across the globe.



Launch of JK Racing Asia Series, Dr. R.P. Singhania with David Sonenscher, CEO of Motorsport Asia Ltd.

JK TORNEL

At JK Tormel Plants in Mexico, substantial improvement in the operational efficiencies were achieved. During the year, the Plants at Mexico manufactured both 'JK Tyre' & 'Vikrant' brand tyres apart from its range of 'Tornel' brand tyres. Despite slow down in the American markets, sales increased by 29%, a reflection



of increased consumer confidence for 'Tornel' tyres. The Company achieved higher market share in the Mexican replacement market and increased its exports to USA and South American countries.

CONSERVATION OF ENERGY ETC.

The details as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 are annexed - Annexure - 1.

DIRECTORS

Shri O.P. Khaitan and Shri Bakul Jain retire by rotation and being eligible offer themselves for re-appointment at the Annual General Meeting.

The Board of Directors appointed Shri Kalpataru Tripathy, as an Additional Director pursuant to Section 260 of the Companies Act, 1956 with effect from 1st October 2010 on the Board of the Company. In terms of Section 260 of the said Act, Shri Tripathy will hold office as a Director upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member proposing candidature of Shri Tripathy for the office of a Director, liable to retire by rotation. The Board recommends appointment of Shri Tripathy as a Director.



IDBI Bank Ltd. nominated Shri Ashok U. Katra, on the Board of the Company w.e.f. 1st November 2010, in place of Dr. T.K. Mukhopadhyay.

Shri G.B. Pande, representative of Life Insurance Corporation of India resigned from the Board of the Company consequent upon his appointment as Insurance Ombudsman (UP and Uttarakhand) at Lucknow Centre. Accordingly, Shri G.B. Pande ceased to be a Director of the Company w.e.f. 6th January 2011.

The Board records its deep appreciation for the valuable services rendered by Dr. T.K. Mukhopadhyay and Shri G.B. Pande during their respective tenures of office.

SUBSIDIARY COMPANIES

The particulars required under the provisions of the Companies Act, 1956 in respect of the subsidiary companies are appended.

The Statement pursuant to Section 212 of the Companies Act, 1956 read with General Circular No. 51/12/2007-CL-III dated 8th February, 2011 of the Ministry of Corporate Affairs, containing the



Arun K. Bajoria receiving The Power Brand Certification from Prof. Arindam Chaudhary in presence of Mr. Alyque Padamsee

details of the Company's subsidiaries is attached.

In terms of the said Circular dated 8th February, 2011, copies of the Balance Sheet, Profit & Loss Account, Reports of the Board and the Auditors of all the Subsidiary Companies have not been attached to the Balance Sheet of the Company. However, the annual accounts of the Subsidiary Companies and the related detailed information shall be made available to the shareholders of the Company and of the Subsidiary Companies seeking such information at any point of time. The annual accounts of the Subsidiary Companies are also available for inspection by any shareholder at the Head Office of the Company and that of the Subsidiary Companies concerned.

AUDITORS

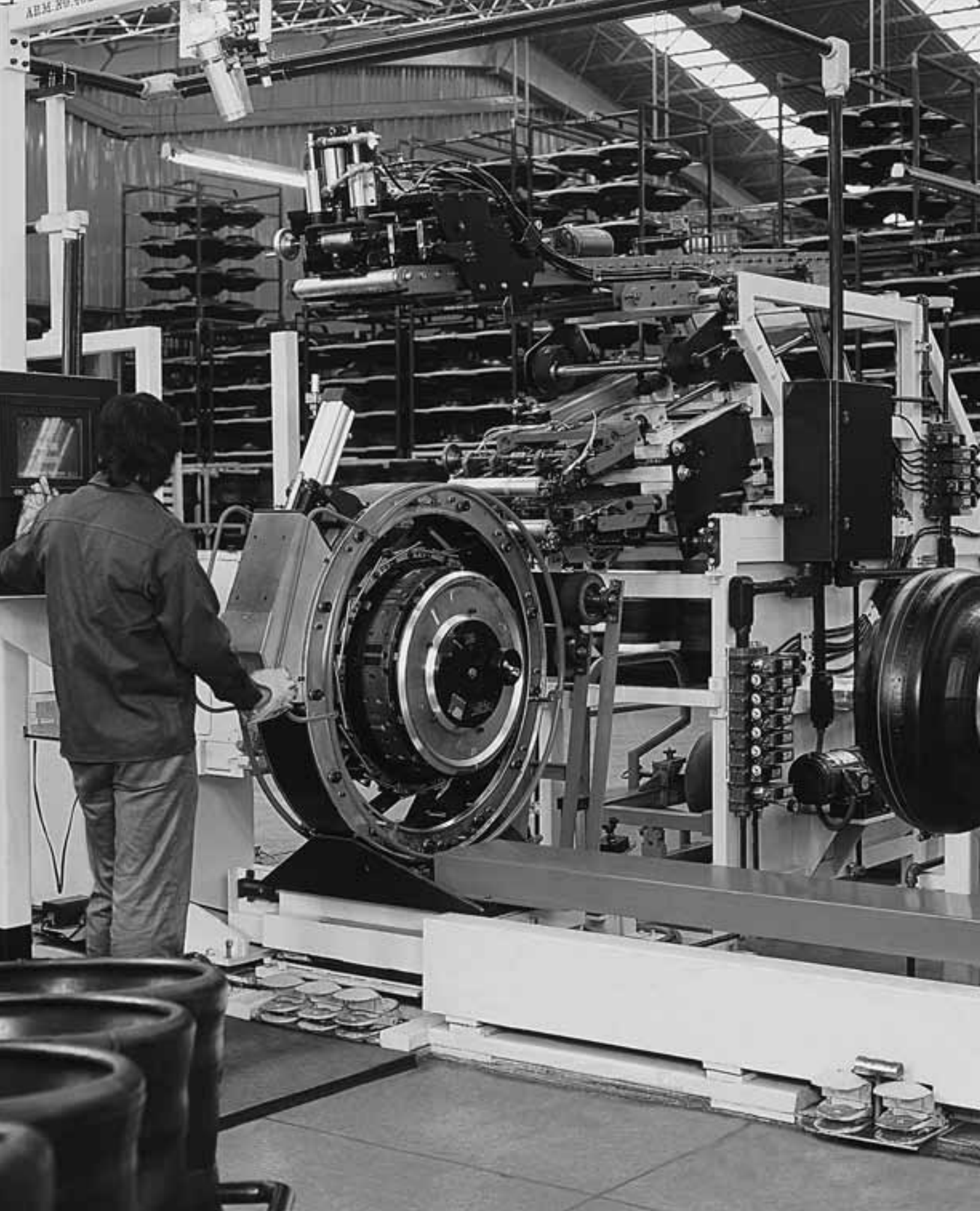
M/s Lodha & Co., Chartered Accountants, Auditors of the Company, retire and are eligible for re-appointment. The observations of the Auditors in their report on Accounts read with the relevant notes are self explanatory.

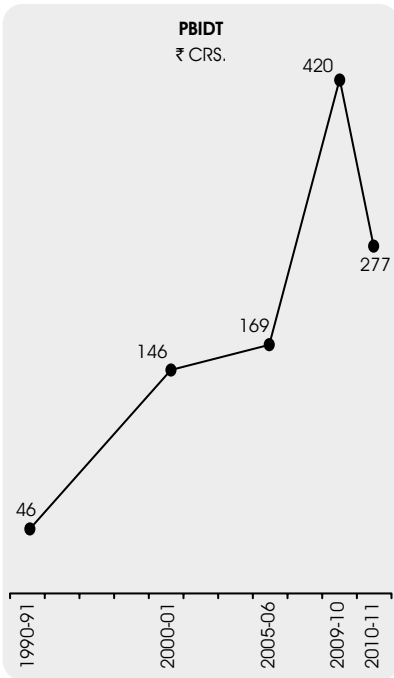
COST AUDIT

The Audit of the Cost Accounts of the Company for the year ended 31st March, 2011 is being conducted by the Cost Auditor and the Cost Audit Report will be submitted to the Ministry of Corporate Affairs, Government of India.

PARTICULARS OF EMPLOYEES

Information in accordance with the provisions of Section 217(2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules 1975 as amended regarding employees is annexed to this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts are being sent to all shareholders of the Company, excluding the aforesaid information. Any shareholder interested in obtaining such





particulars may write to the Secretary at the Company's New Delhi address.

C O R P O R A T E G O V E R N A N C E

Your Company reaffirms its commitment to the good corporate governance practices. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a Management Discussion and

Analysis, Corporate Governance Report and Auditors Certificate regarding compliance of conditions of Corporate Governance are made a part of this Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act 1956, your Directors state that :-

- in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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 or loss of the Company for that period;
- proper and sufficient care has been taken for 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; and

- the annual accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the continued support and co-operation received from the financial institutions, banks, various central and state government agencies, the technical collaborators M/s Continental AG – Germany, shareholders, suppliers, dealers and in particular the valued customers.

In particular, Directors record their appreciation for the dedication and hard work put in by the Team JK Tyre, which has enabled the Company to surge ahead in these challenging times.

On behalf of the Board

The 24th May, 2011
New Delhi

H.S. SINGHANIA
CHAIRMAN

- National Award for Excellence in Energy Management, 2010

- Export Excellence Award, 2010
- Greentech Excellence Award



A) ENERGY CONSERVATION

Your Company maintained its focus on energy consumption in face of rising energy costs by continual investment in latest energy efficient system. These include installation of waste heat recovery, VFDs in various areas, efficient load distribution system, better insulation system, conversion of oil fired boilers, installation of energy efficient compressors, counter flow cooling towers, replacement of inefficient steam traps, water harvesting, water recycling and actions based on energy audits conducted by external experts.



JK Tyre Truck Wheels Centre at Vijaywada

B) TECHNOLOGY ABSORPTION

Research & Development

a) Areas of R&D Activities:

With ever increasing market competition with the global giants present and setting up shop in India, coupled

(Hari Shankar Singhania Elastomer & Tyre Research Institute) a SIRO set up, is meeting stringent challenges in Truck/Bus Radials, besides other categories, against Global leaders. Your Company's Truck Radial Tyres are today benchmark in India, a testimony to R&D efforts. This has been achieved through high end predictive technologies using simulation Techniques.



JET Xtra, Truck & Bus Tyre launch

with sky rocketing Raw Material costs, Innovation and creativity in R&D is the key to success.

JK Tyre with its "Tech Centre" at Faridabad "Centre of Excellence" at Chennai and in association with HASETRI

Similarly in case of Passenger Radials, new products have been developed for high performance new generation vehicles launched by MNCs in India.

In case of Bias Technology, besides offering best in class Truck/ Bus Bias Tyres, JK Tyre has also entered into Ultra Large OTR category. India's first largest OTR tyre 40.00-57 has been developed by JK Tyre.

During the period under review, R&D team focused upon usage of alternative material for improved performance at reduced cost, extensive reverse engineering, focused approach towards cost optimisation, energy consumption and process optimisation.



Annexure - I.

PARTICULARS OF CONSERVATION OF ENERGY

I. Power & Fuel Consumption

	2010-11	2009-10
1. Electricity		
a) Purchased:		
Unit (Kwh in lacs)	1724.53	1313.32
Total Amount (₹ in Crores)	83.80	63.68
Rate / Unit (₹)	4.86	4.85
b) Own Generation:		
Fuel Oils		
Unit (kwh in lacs)	132.76	293.80
Unit / Ltr. of Fuel Oil (kwh)	3.08	3.16
Cost / Unit (₹)	4.53	4.70
c) Turbo Generator:		
Thru Coal		
Unit (kwh in lacs)	407.20	405.16
Unit / MT of Coal	755.46	748.59
Cost / Unit (₹)	5.44	5.03
2. Coal		
Quantity (MT)	184577	166382
Total Amount (₹ in Crores)	76.81	65.72
Average Rate (₹ /MT)	4161	3950
3. Furnace Oil		
Quantity (KL)	2744	5093
Total Amount (₹ in Crores)	7.30	11.57
Average Rate (₹ /Ltr.)	26.60	22.72
II. Consumption per unit of production :		
Electricity (kwh/MT)	931	928
Coal/Furnace Oil	0.54	0.54

R&D efforts are also directed for application of its outcome to its Mexican operations. As a result, at JK Tormel, apart from achieving cost optimisations, OEM business has also been recently clinched from a leading global auto manufacturer. In addition, we have launched new range of Farm tyres for North American Markets.

Given the highly competitive market scenario, our focus for future development is to continue and develop better performing products with reduced cost, use of cleaner and greener Technologies, enhanced investment in Predictive Technologies and Technology skill development.

b) Research & Development expenses:

The expenditure on R&D during the year was ₹ 23.94 Crores, which was 0.45% of the turnover.

C. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

In an environment where innovation and experimentation is encouraged, we have trained a highly skilled team of Scientists, Technologists and Engineers who are constantly engaged in developing new Products & Processes. By continuously scanning the latest global technologies of products, materials and process, the relevant ones are adapted and adopted both in products and processes.

In addition, through continuous upgradation and modernisation of plants, evaluation and testing techniques, skill development of people, JK Tyre continues to maintain Technology leadership in India.

D. EXPORT, FOREIGN EXCHANGE EARNINGS AND OUTGO

₹ Crores

	2010-11	2009-10
Foreign Exchange Earnings	425.37	363.72
Foreign Exchange Outgo	990.35	820.58

DATE: 1-23

PAINT SHOP
BEL. CO. UNIT

40-00-57
(60PR)

DO NOT STAND
IN FRONT OF THE
DOORS WHILE
OPENING.



VEM 045

JKTYRE
& INDUSTRIES LTD

SIZE : 40.00-57 (60PR)
INDIA'S LARGEST TYRE
PRODUCED ON 20th DECEMBER 2010
AT VTP OTR PLANT MYSORE

40.00-57
55 PLY RATING

JKTYRE



MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Indian economy has been on the move with GDP growing at around 8.5%. Some sectors registered lower growth especially with industrial production



Mr. Michael Boneham President & MD Ford India receiving the ICOTY Award from Dr. Raghupati Singhania

slowing down in the second half of the year, while Agricultural output is on the upswing. However, inflation remains a cause of worry. Various initiatives taken by the Government to check inflation are yielding some results though impacting growth. Steep increase in commodity prices is a matter of great concern to the entire Industry. Recent global happenings has led to a spiraling rise in the price of crude and other derivatives, adversely affecting the economy as a whole.

AUTOMOTIVE INDUSTRY

The Automotive sector has performed well with an overall growth of 27%. Production of trucks and buses increased by 38% and that of passenger cars by 28%. In the last six years almost 12 million cars have been added to the Indian Roads. All this has been driving tyre demand.

TYRE INDUSTRY SCENARIO

The Tyre Industry's combined turnover will be almost ₹ 30,000 Crores during 2010-11. While top line growth has been achieved, the greatest concern during

the year has been the unprecedented increase in input costs, especially that of natural rubber, owing to growing global demand and inadequate increase in production. This has impacted the profitability of the industry, as tyre prices have not kept pace with the rising costs. There has been a significant increase in the import of both commercial and passenger tyres in India. It is expected that with introduction of BIS norms, unorganised imports will get curbed to some extent. In the commercial segment, Truck/Bus radials will be the growth driver with radialisation expected to reach a level of 35 % in the next few years.

Globally, radialisation in Truck tyres exhibited steady growth and is currently estimated at 75% across the world. This has led to contraction in the size of the market for Bias tyres, thus intensifying competition in this segment.

RAW MATERIALS

The major challenge during the year was unabated increase in raw material prices as well as its availability, which are a matter of serious concern for the Indian Tyre Industry and your Company was no exception thereto.

Natural rubber prices have almost doubled during the year. The demand and supply gap in the natural rubber widened due to production shortfall.



Dr. Raghupati Singhania presenting the prestigious IMOTY Award to Honda

Prices of crude based raw materials like synthetic rubber, Carbon black and Nylon tyre cord were on the upswing, during the year, due to volatility in the crude prices and adverse demand/supply gap.

Your Company continues its approach of developing cost effective global sources and vendor relationship management. Working capital management remained an area of high focus throughout the year, to overcome partly such an alarming situation, caused by unit costs and prices increasing sharply.

JK TYRE – MARCHING AHEAD

Despite these challenges, the zeal for growth and achieving excellence has enabled JK Tyre to stride ahead.

Among the many achievements are:

- A growth of 33% in turnover to ₹ 5268 Crores from Indian operations and consolidated turnover of ₹ 6421 Crores (US \$ 1.4 Billion) including JK Tormel, Mexico.
- JK Tyre continues to be India's No. 1 Truck Bus Radial (TBR) manufacturer having crossed 4 million number mark. It has so far exported 1 million tyres to the global markets – a testimony to the high quality of its tubeless TBRs.
- JK Tyre produced, for the 1st time in the country, Ultra Large OTR Tyre of 12 ft height, weighing 3.6 Tons. This has been delivered to BEML - our prime customer for these tyres. This has reinforced our leadership in the OTR segment.
- Your Company has been awarded **"2010 TPM Excellence Award"** by JIPM (Japan Institute of Plant Maintenance), Japan, in one go, for all its manufacturing locations.
- In its largest Motorsport endeavour, JK Tyre has acquired the title rights of renowned world series 'Formula BMW Pacific' and will now be known as "JK Racing Asia Series", and the cars will be christened "Formula JK Tyre Pacific".



Arun K. Bajoria presenting memento to channel partner during National Fleet Conference, Turkey

- JK Tyre has been recognised as Power Brand and ranked among the top 200 most valuable Brands in the country.

COMMERCIAL TYRES

Commercial tyres segment comprising of Truck/Bus Bias & Radial and LCV/SCV Bias & Radial account for 81% of Company's turnover. JK Tyre continues to be a leading player across these segments.

TRUCK BIAS

JK Tyre sales grew by 15% in the competitive domestic Truck Bias segment as against the market degrowth by 4.5%. In this segment, a strategic thrust has been made on increasing the sales of Hi-performance tyres like Jet Extra, Jet One and Jet R Miles. Extensive communication and customer centric activities have been conducted for these tyres, across the target markets.

TRUCK/BUS RADIAL

JK Tyre continues to drive the radial revolution in the truck/bus segment in India. A new Lug Tyre 10.00.20 JDL was introduced for long haul applications, which delivers added value to its users. First time ever, "Truck Wheels" Centre was established in Vijayawada which provides comprehensive tyre care services for both Radial and Bias tyres, such as, Wheel Balancing, Wheel Alignment, Tyre Repair, 'Service Tyre' facility etc., as also new tyre sales. In addition, Eighteen JK Radial Tyre Care Centres' set up along major National Highways,



offer after-sales service for Truck/Bus Radials, which operate on 365 days/24 hours basis.

To reach out to channel partners 'Radial Star' programme for dealers completed its third year and 'Radial Baadshah' programme for fleets successfully completed its fourth year. Visits of cross section of customers and transport leaders was organised to our Truck/Bus Radial Plant at Mysore.

LIGHT COMMERCIAL VEHICLE

In the LCV segment JK Tyre products continue to gain larger acceptance with the consumers. 'Mera Sapna Contest 2010', an annual painting competition for the children of LCV drivers and owners, was organised culminating in a National Contest. This proved to be great motivator and helped build close relationship with customers.

In the fast growing Small Commercial Vehicle (SCV) Segment, JK Tyre is the market leader and has significantly increased volumes, as well as, widened its product offerings, in line with customer needs.

PASSENGER CAR RADIAL

In the passenger car radial segment JK Tyre makes every drive a delight for millions of happy customers across India. New Generation Cars like Maruti Ritz, Chevrolet Beat, Fiat Punto, Volkswagen's Polo & Vento, GM's Chevrolet Cruz - a premium D segment car, ride on premium JK Tyre Tubeless Radials. Significant brand building initiatives by way of outdoor campaigns, as well as "Drive Safe Campaigns" were undertaken



JK Tyre stall at Kisan Mela

during the year. Relationships with OEMs were further cemented by undertaking various joint promotion activities. To promote the cause of Road Safety, JK Tyre partnered with Delhi Police and SAFE (a SIAM initiative) during the National Road Safety Week. The Constitution Club Car Rally for the cause of Road Safety was organised for parliamentarians and diplomats.

As a part of customer engagement programme, a customer care campaign covering 2 lac customers was conducted in Mumbai. Family rallies were organised across the country in several cities, which enabled close bonding with the end consumers and their families. The retail network was further strengthened with the opening of fifteen new 'Steel Wheels'. Today 125 such outlets are operational in 75 cities contributing a significant portion of PCR sale.

FARM TYRE

In the Farm Tyre segment, as a part of marketing thrust, JK Tyre participated in several Kisan Melas in U.P., Andhra Pradesh, Rajasthan & Haryana and also received recognition in these agricultural fairs.

OFF THE ROAD TYRES (OTR)

JK Tyre continues to be the dominant player with the highest market share in this segment. It offers a wide range from 1200.24 to newly launched 40.00 -57 an Ultra large OTR Tyre.

OEM & INSTITUTIONAL BUSINESS

Leading Automotive Manufacturers continue to repose their confidence in JK Tyre which continues



JK Tyre expands its Steel Wheels network

to be preferred partner to Maruti Suzuki, Tata Motors, Ashok Leyland, Mahindra & Mahindra, Eicher, Force Motors, General Motors, Volkswagen, Fiat, TAFE, Swaraj Mazda, John Deere, AMW etc. As mentioned above, a number of new cars were exclusively launched on JK Tyres in addition to several other launches on JK Tyres.

JK TREAD BUSINESS

As a strategy JK Tyre entered the retread business to produce precured tread rubber and allied materials. Around 100 franchises in eight regions across the country have been appointed for retreading of both bias and truck radial tyres using JK Treads. Good response has been received from the market, with sales reaching high levels of tread rubber, in the very first year of operations itself. Steps have been taken to double the size of this business in the current year.

MOTORSPORTS

JK Tyre is the leader of Motorsport in the country and has once again taken India to the global arena by acquiring the title rights of renowned world series 'Formula BMW Pacific' which now will be known as 'JK Racing Asia Series' and the cars will be christened "Formula JK Tyre Pacific".

JK Racing Asia Series will feature an ultra-modern standard specification race car. The **Formula JK Tyre Pacific** is made of carbon-fibre Kevlar, which has been proven to be of the highest safety standards. The race cars will run on JK Tyres.

This year the 13th National Racing Championship was conducted – a record in the history of Motorsport as



JK Tyre National Racing Championship, 2010

single sponsor continuing the championship for 14 calendar years. Of great pride is the fact that under this Championship JK Tyre has partnered Volkswagen for the 'VW JK Tyre POLO Cup' which is yet another feather in the cap and has provided another avenue of opportunities to talent in the country.

The 4th JK TYRE BAJA SAE India event was conducted in Indore with participation by 1700 students from 79 Engineering colleges. In another continuing initiative the 7th JK Tyre Rotax Max Championship was organised for young drivers in Go-Karting.

CUSTOMER FIRST INITIATIVES

Excellence has always been encouraged by JK Tyre. For the 5th year in succession JK Tyre, in association with the leading auto magazines in India, presented country's most prestigious awards in the automotive industry - the "Indian Car of the Year" (ICOTY) and the "Indian Motorcycle of the Year" (IMOTY), which are at par with similar international awards. This year, Ford Figo was conferred with the Indian Car of the Year, 2011 and Honda CB Twister bagged the Indian Motorcycle of the Year, 2011.

Product training is being continuously imparted for all field Sales and Service team to add to their skill set.

Tyre Fitters were successfully trained and certified as "JK Tyre Master Tyre Fitter" in important trucking centres during the year.

As a customer care programme, 3121 Service programmes on tyre care were conducted for the after market and institutional buyers like OEM, Defence etc. These programmes also included training of drivers on tyre care.

GLOBAL PRESENCE

JK Tyre improved its international presence considerably during the year with its exports growing by 41%. Apart from exporting tyres from its Indian plants, it also exports from its subsidiary JK Tornel in Mexico, with the total exports being ₹ 752 Crores. The Company has thus large global presence in over 80 countries across the six continents.



T. P. M. Mohideen Khan, Hon'ble Minister of Sports, Govt of Tamil Nadu, Arun K. Bajoria and Karun Chandhok F1 driver giving away the National Championship Trophy at JK Tyre National Racing Championship, 2010

RESEARCH AND TECHNOLOGY

Your Company, since its inception during 70s, has been a pioneer in introducing radial technology in India and has played a vital role in enhancing the pace of radialisation in all segments of automobiles in India. Your Company's in-house R&D relentlessly pursues its activities to live up to the expectations of the nation, by fostering, promoting and sustaining basic and applied research in the field of elastomer and tyre technology. The technological strength of your Company is derived from its in-house R&D facility located at Plants and "JK TyreTech Centre" at Faridabad. These R&D Centres work in the field of advanced material, simulation & predictive technology, advanced tyre mechanics including tyre characterisation and other relevant areas in association with HASETRI, premier scientific and industrial research organisation (SIRO). Innovation and creativity are driving forces behind Research and Technology efforts of your Company.

Realising the emerging need of Indian auto industry, your Company has tied up with IIT Madras to use powerful computation tools for stimulations and predictive technologies to deliver new and reliable design in a shortest possible time through "Centre of Excellence for Tyre and Vehicle Mechanics" at IIT Madras. It is one of the most successful Industry academia joint R&D project in the country. Several tools and techniques like

Prediction of Rolling Resistance of Tyres, Temperature generation during running, durability etc. have been developed and integrated into product development process of your Company.

JK Tyre Test Track at Chennai enables ultimate endorsement of technology.

HUMAN RESOURCE

The Company firmly believes that talented and engaged employees are the critical differentiators and provide competitive advantage for sustaining and growing the business in the intensified spiral of global competition. As such, the Company continues its focus on high performance, talent retention, employee engagement and customer first as the corner stones of its HR strategies.

It is indeed a matter of great pride that JK Tyre has been awarded "2010 TPM Excellence Award" by JIPM (Japan Institute of Plant Maintenance) outside Japan, in one go, for all its manufacturing locations. This, more than exemplifies our people's commitment to excellence, to produce world-class products and provide pro-active service to our valued customers.

A noble initiative for mentoring the young talent, titled as "Krishna - Arjuna" has been successfully working in the Company. Under this initiative, all dimensions of mentoring, coaching and counselling are practiced in developing talent. The name of the initiative "Krishna - Arjuna" adds philosophical and spiritual touch and

• 5th Social & Corporate Governance Award, 2010

• Quality Circle Forum of India, 2011







JK Tyre SAE BAJA, 2010

reinvigorates commitment to make it happen on part of both – the mentor and the mentee.

Competency Mapping and Assessment Centres, 360 Degree Feedback, Management Development Programmes, Induction of Trainees at various levels and other human resource development initiatives are pursued on a continuous basis.

Vikrant Tyre Plant has been conferred with “The Global HR Excellence Award for Innovative Practices”. Kankroli Tyre Plant has received “Asia’s Best Employer Branding for Excellence in Training” and Banmore Plant has been accredited with “Golden Peacock National Quality Award”. Dr. R.P. Singhania was awarded “CEO of the Year” by Asia Pacific HRM Congress.

PERFORMANCE OF THE COMPANY

Particulars	₹ Crores	
	2010-11	2009-10
Sales & Other Income	5268.43	3971.01
Operating Profit (PBIDT)	277.42	420.29
Interest	94.65	88.66
Profit Before Tax (PBT)	91.67	245.68
Provision for Tax/(Credit)	30.35	82.21
Net Profit	61.32	163.47

During the year, the Company recorded its highest ever sales by crossing Rupees Five thousand crore sales. The raw material costs have gone up significantly, which have been partly mitigated through increased all round efficiencies and other measures.

INTERNAL CONTROL SYSTEM

The philosophy of the Company with regard to adequacy of internal control system has been the formulation of effective systems and their strict implementation to ensure that assets and interests of your Company are safeguarded, checks and balances are put in place to determine the accuracy and reliability of financial data. Your Company has an Internal Audit Department which prepares the audit programmes of all Units/Offices to cover significant areas to ensure conformance with internal checks



Lakshmipat Singhania – IIM Lucknow 'National Leadership Awards' – Hon'ble Finance Minister of India Sh. Pranav Mukherjee and H.S. Singhania, President J.K. Organisation along with distinguished winners



and attracting huge investment in the manufacturing capacities from multinational tyre manufacturing companies having deep rooted global distribution and R&D networks. This is likely to further intensify, the already competitive tyre industry.

All these factors pose challenge to the financial performance of the tyre industry of which the Company is a major constituent.

CAUTIONARY STATEMENT

“Management Discussion and Analysis Report” contains forward-looking statements, which may be identified by the use of the 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 your Company’s strategy for growth, product development, market position, expenditures and financial results are forward-looking statements.

Your 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.

and controls. The Internal Audit Department carries out extensive audits throughout the year covering all areas of operations and the reports are reviewed by senior management and placed before Audit Committee of the Board of Directors alongwith actions taken. Management Information System (MIS) is the backbone of the Company’s review and monitoring system. All the efficiency parameters are reviewed with reference to the annual targets and budgets.

Annual budgets and targets are placed before the Board and material deviations are reported to the Board on quarterly basis. Effective budgetary control system is in place and has resulted in significant savings.

RISKS AND CONCERNS

As in the case of any large industry, tyre industry also has a co-relation with overall condition of the economy. The inflationary conditions and the measures taken by the Government to check the same may lead to decline in pace of industrial growth, including the demand for tyres. This coupled with steep rise in the prices of natural rubber as well as other petro based raw materials continue to put pressure on the margins.

India is fast emerging as global hub of automobiles

- Greentech Safety Award, 2010
- Greentech Environment Excellence Award, 2010
- Global HR Excellence Award, 2010



JK TYRE AND ROAD SAFETY



Arun K. Bajoria, Karun Chandhok, Dr. Raghupati Singhania with Hon'ble Vice President of India Shri Hamid Ansari at the Flag Off Ceremony



Dr. Raghupati Singhania presenting memento to the Hon'ble speaker of Lok Sabha Smt. Meira Kumar and members of Constitution Club of India

JK Tyre has been instrumental in driving home the importance of road safety. The quality of drive also depends on the sense of safety the driver has.

Road safety campaigns were conducted on major Highways, Expressways and



A.S. Mehta, Marketing Director with Jt. Commissioner of Police, Delhi

Metros across the country, to create safety awareness among motorists. Drivers' training programmes were held on the importance of maintaining correct tyre inflation pressure, tyre care, vehicle and driving management as well as other factors essential for safe driving.

The Company organised a Rally of Parliamentarians in association with the

Constitution Club of India, in New Delhi. Thus roping in decision-makers in this unique initiative. It conveyed the message of road safety through various on-ground activities as well as events displaying the message.

Every year, JK Tyre partners with Delhi Traffic Police to celebrate "National Road Safety Week", organised under the aegis of the Ministry of Surface Transport. To



educate the younger generation about the importance of road safety, a painting competition with Road Safety as the theme was organised.

Over the years, JK Tyre has enhanced the quality of drive by introducing tyres with

best grip and control over all terrains. The Company is determined to use its access to advance technologies for safer and smoother rides.

JK Tyre has also helped in creating 'Road Safety Clubs' in numerous schools. Thousands of students from various schools participated in 'Road Safety March' and took an oath to obey traffic rules.

The Formula 1 driver Karun Chandhok, a member of the JK Tyre family, has been an active participant in the drive for road safety awareness internationally.



DRIVE SAFE.

DRIVE RESPONSIBLY.

STAY IN TOTAL CONTROL.

JK TYRE—A SOCIALLY RESPONSIBLE CORPORATE CITIZEN

JK Tyre as a corporate citizen has consistently strived to improve the quality of life of people in and around its area of operations and society at large. Needless to say, this is a tradition that was laid down by the founding fathers of the J.K. Organisation several decades ago. During the year under review, JK Tyre continued its endeavour to contribute to the community welfare in the fields of environment, health, literacy and efforts were made to reach out and make a difference to the lives of people.

JK TYRE-THE GREEN CITIZEN

Disposal of discarded tyres is an environmental hazard worldwide and the greater concern is that there is very limited awareness/ focus on this issue in India. With the growth of the Automotive Industry, the magnitude of this problem is increasing.

JK Tyre is known for adopting environment-friendly practices. In yet another pioneering effort in India, in association with the Footwear Design and Development Institute, (under the aegis of Ministry of Commerce & Industry, Government of India) innovative use of old tyres was explored. The students of the said Institute were encouraged to create designs and prototypes of footwear and



Green Belt at JK Tyre Plant

accessories and the outcome was amazing. This breakthrough initiative for the Indian tyre industry was showcased as "Soles with Souls".



Free eye check-up camp at Banmore

JK Tyre's Banmore plant was awarded the Golden Peacock Environment Management Award by the World Environment Foundation, UK, in the manufacturing category for excellence in environment protection. The plant is "Zero Discharge Plant" and no effluent is discharged. Recycled effluents are used for making soft water to the extent of 80% and balance 20% is used for horticulture and ash quenching.

In addition to the above, greening efforts continued at all Plant locations by planting thousand of trees. Vikrant Tyre Plant (VTP) has won "Green Tech Environment Award 2010 – Gold Category". VTP has also been partnering with the Karnataka State Pollution Control Board in creating environmental awareness.

More so, in the towns and cities in and around the plants of the Company, parks and public places have been adopted and are being maintained.

HEALTH

JK Tyre continues to participate in community health care, project 'Parivartan' is providing focused '**Reproductive Child & Health**' and general curative services to the needy and deprived community



Pushpawati Singhania Research Institute, New Delhi

within 15 – 20 kms radius of the Jaykaygram plant. So far **50,000** people have been covered through 400 mobile clinics under this project. The outcome of this effort is, reduced birth rates, Maternal Mortality Rate and Child Mortality Rate.

Free Medical Camps including distribution of medicines, have been organised, in addition to free eye check-up camps around Banmore. More than 2700 people were benefited from these camps and nearly 900 people were also successfully operated upon for Cataract. Similarly, free Medical Camps alongwith distribution of medicines as also blood donation camps at various locations, were organised around Mysore.

JK Tyre actively participates in the AIDS prevention programme. 14 Clinics along the highways, are run by JK Tyre with the help of a NGO where more than 1 Lac footfalls have taken place and around 20,000 people have been treated for STIs, which is highly vulnerable group for HIV infections.

Further, as a part of prevention of AIDS programme, general awareness and precautionary measures are communicated, to not only, JK Tyre employees but also truck drivers and loaders, coming to our plants. Master Trainers and Peer Educators have been trained to impart such awareness, apart from distribution of educational literature.

EDUCATION

District level recognition has been accorded by the Government of Rajasthan to JK Tyre personnel at Jaykaygram for their consistent contributions in the field of school education, adult education in villages, and for service contributions to Special Children. Children from rural background have been given basic educational aids and meritorious students from economically challenged background have been provided scholarships. Further, a hostel for backward class girls, has been adopted and maintained for last several years in Kankroli.

Adult literacy has been provided to many citizens as an enabler to cope with the challenges of modern day life. The 12 'Adult Literacy Centers' run around Banmore have enabled 1100 deprived and less fortunate women to become literate, enabling them to become self employed and self reliant. The students of Noorabad Middle School near Banmore were provided with computers and are imparted computer literacy. 'Seminars' for wider exposure are organised as part of the soft support that the Company provides.

Two villages in Yelwala Taluk and the Central Jail in Mysore were identified as centres to impart adult literacy. During the year, more than 1300 persons and till date almost 5000 persons have benefited from this programme.

JK Tyre has adopted three ITIs to upgrade them as "Centre of Excellence", under the Public Private



Adult Literacy programme

partnership scheme of the Government of India. These are being run with the objective of raising the skills of workmen and special curriculum has been designed keeping in mind the specific skills required for the industry.

GENERAL SOCIAL WELFARE

Distribution of sewing machines to needy widows and tricycles to physically challenged persons was undertaken around Mysore Plant.

SPORTS

To promote sports, JK Tyre has supported many locally popular sports events like "DUNGALS" (Wrestling competition), State Volley Ball championship, Kabaddi championship etc.

Leader of Motorsports in the country, JK Tyre, has once again taken India to the global arena by acquiring the title rights of renowned world series 'Formula BMW Pacific' which will now be known as "JK Racing Asia Series" and the cars will be christened "Formula JK Tyre Pacific" and the race cars will run on JK Tyre.



JK Tyre supporting rural sport

At national level, JK Tyre has already put in place a structured Motorsports programme from the entry level participation in Karting to Racing. This year the 13th National Racing Championship was conducted – a record in the history of Motorsports as single sponsor continuing the championship for 14 calendar years. Under this Championship, JK Tyre has partnered Volkswagen for the 'VW JK Tyre POLO Cup' which is yet another feather in the cap and has provided another avenue of opportunities to young talent in the country.

The Company also supports Karting Tracks for Army personnel at Udhampur and Guwahati.

ROAD SAFETY

Road safety awareness being an important concern for the citizens. JK Tyre has been partnering with Delhi Police and SAFE (a SIAM initiative) during the "National Road Safety Week", to promote this cause. JK Tyre promotes road safety awareness by distributing literature and conducting media campaigns across the country, as also supporting various activities like children's painting competition in an effort to spread the message of road safety. JK Tyre also participates in 'No Honking Campaigns'.



Temple at JK Tyre plant, Banmore



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 presently consists of Eleven Directors of which five are Executive Directors and six are Non-Executive Directors (NED), out of which five are Independent Directors (IND). The Chairman is Non-executive. Four Board Meetings were held during the twelve months period from 1st April 2010 to 31st March 2011 i.e., on 25th May 2010, 14th August 2010, 30th October 2010 and 24th January 2011. Attendance and other details are as given below:

Name of the Director	Category	Number of Board Meetings Attended	Whether last AGM attended	No. of other Directorships and Committee Memberships/ Chairmanships		
				Directorships \$	Committee Memberships **	Committee Chairmanships **
Shri Hari Shankar Singhania, Chairman	NED	4	Yes	3	-	-
Dr. Raghupati Singhania, Vice Chairman & Managing Director	Executive	4	Yes	7	2	1
Shri Arvind Singh Mewar	IND	3	Yes	-	-	-
Shri Bakul Jain	IND	3	Yes	2	1	-
Shri O.P. Khaitan	IND	4	Yes	8	4	3
Shri Ashok U. Katra, (IDBI Bank Nominee)*#	IND	-	N.A.	1	-	-
Shri Kalpataru Tripathy@	IND	1	N.A.	-	-	-
Shri Bharat Hari Singhania, Managing Director	Executive	4	Yes	4	1	-
Shri Vikrampati Singhania, Dy. Managing Director	Executive	4	Yes	3	1	1
Shri S.C. Sethi, Whole-time Director	Executive	4	Yes	5	5	1
Shri Arun K. Bajoria, President & Director	Executive	4	Yes	-	-	-
Shri G.B. Pande (LIC Representative)*^	IND	3	Yes	N.A.	N.A.	N.A.
Dr. T.K. Mukhopadhyay (IDBI Bank Nominee)*#	IND	3	Yes	N.A.	N.A.	N.A.

* Lender/Investor

Shri Ashok U. Katra has been nominated by IDBI Bank Ltd. in place of Dr. T.K. Mukhopadhyay w.e.f. 1st November 2010.

@ Shri Kalpataru Tripathy was appointed as an Additional Director of the Company w.e.f. 1st October 2010.

^ Shri G.B. Pande has ceased to be a Director of the Company w.e.f. 6th January 2011.

\$ As per Section 275 read with Section 278 of the Companies Act 1956.

** Only covers Memberships/Chairmanships of Audit Committee and Shareholders/Investors Grievance Committee.

N.A. Not Applicable.

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 Company has a Code of Conduct for Management Cadre Staff (including Executive Directors). In terms of the provisions of Clause 49 of the Listing Agreement 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 (www.jktyre.com). 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 Vice Chairman & Managing Director.

3. AUDIT COMMITTEE :

The Company has an Audit Committee of Directors since 1986. The 'Terms of Reference' of the Committee are in conformity with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchanges.

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 2011.

Dates of the meetings and the number of the Members attended are:

Date of the Meeting	Number of Members attended
25th May 2010	4
14th August 2010	4
30th October 2010	4
24th January 2011	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 O.P. Khaitan	Chairman	4
Shri A.S. Mewar	Member	3
Dr. T.K. Mukhopadhyay	Member	3
Shri Ashok U. Katra	Member	-
Shri S.C. Sethi	Member	4

Shri Ashok U. Katra has been nominated as a Member of the Committee w.e.f. 1st November 2010 in place of Dr. T.K. Mukhopadhyay.

Shri Kalpataru Tripathy attended the Audit Committee meeting held on 24th January 2011.

All the Committee Meetings were attended by the Head of Finance Function, Head of Internal Audit, Company Secretary and the Statutory Auditor. The Company Secretary acts as the Secretary of the Committee.

4. SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE:

The Company has Shareholders/ Investors Grievance Committee at the Board level which consists of four Directors out of which two are Non-executive Independent Director and two are Executive Directors. The composition of the Committee is in conformity with Clause 49 of the Listing Agreement. Four meetings of the said Committee were held during the financial year ended 31st March 2011.

Dates of the meetings and the number of the Members attended are:

Date of the Meeting	Number of Members attended
25th May 2010	4
14th August 2010	4
30th October 2010	4
24th January 2011	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 G.B. Pande [°]	Chairman	3 [°]
Shri O.P. Khaitan	Member	4
Shri Vikrampati Singhania	Member	4
Shri S.C. Sethi	Member	4

[°] Shri G.B. Pande ceased to be a Director of the Company w.e.f. 6th January 2011 and consequently he ceased to be Chairman/ Member of the Committee also.

Shri P K Rustagi, Vice President (Legal) & Company Secretary is the Compliance Officer. There were four Investor complaints during the financial year ended 31st March 2011. All the complaints were settled to the satisfaction of the shareholders. Also, there are no complaints pending in respect of previous period.

The Board has delegated the power of share transfer to a Committee of Directors and the share transfer formalities are attended as required. All valid requests for transfer of shares in physical form were processed in time and there were no pending transfers of shares. During the financial year ended 31st March 2011, 23 Meetings of this Committee were held.

5. REMUNERATION COMMITTEE (Non-Mandatory)

The Company has a Remuneration Committee comprising of Shri O.P. Khaitan (Chairman of the Committee), Shri Arvind Singh Mewar and Shri Ashok U. Katra, all being Non-executive Independent Directors to consider, determine and recommend



remuneration of the Executive Directors to the Board. During the financial year, one Meeting of the Committee was held on 30th October 2010.

6. REMUNERATION PAID TO DIRECTORS:

i) Executive Directors : The aggregate value of salary, perquisites and contribution to Provident Fund and Superannuation Fund for the financial year ended 31st March 2011 to the Vice Chairman & Managing Director, Managing Director, Dy. Managing Director, Whole-time Director and President & Director is as follows : Dr. Raghupati Singhania ₹ 243.22 Lacs plus ₹ 150.00 lacs payable as Commission, Shri Bharat Hari Singhania ₹ 21.24 lacs plus ₹ 150.00 lacs payable as Commission, Shri Vikrampati Singhania ₹ 126.85 lacs plus ₹ 10.00 lacs payable as Commission, Shri S.C. Sethi ₹ 81.50 lacs plus ₹ 31.50 lacs payable as Commission and Shri Arun K. Bajoria ₹ 166.74 lacs plus ₹ 33.50 lacs payable as Commission.

The Company does not have any Stock Option Scheme. In the case of Whole-time Director and President & Director, notice period is six months. Severance Fees for the Vice Chairman & Managing Director, Managing Director and Dy. Managing Director is remuneration for the unexpired residue of respective terms or for three years, whichever is shorter.

ii) Non-executive Directors : The Company has paid sitting fees aggregating to ₹ 7.90 lacs to all Non-executive Directors for attending the meetings of the Board and/or Committees thereof. In addition to sitting fees, commission payable to Shri Hari Shankar Singhania, Chairman is ₹ 70.00 lacs, ₹ 4.60 lacs to Representative of LIC(proportionate), ₹ 3.00 lacs to Shri Kalpataru Tripathy(proportionate) and ₹ 6.00 lacs to each of the other Non-executive Directors.

Non-executive Directors did not have any other pecuniary relationship or transaction vis-à-vis the Company during the year except as stated above.

The number of Equity Shares of ₹ 10 each (i.e Shares) held by the Non-executive Directors as on 31st March 2011 are: Shri Hari Shankar Singhania- 1,49,840 Shares, Shri Arvind Singh Mewar –Nil Shares, Shri Bakul Jain – 1,200 Shares, Shri O. P. Khaitan - 2,736 Shares, Shri Kalpataru Tripathy - Nil Shares and Shri Ashok U. Katra - Nil Shares. The Company does not have any outstanding convertible instruments.

7. GENERAL BODY MEETINGS:

Location and time for the last three Annual General Meetings (AGM) of the Company were :

Financial Year	Location	Date	Time
2006-2007	Shripati Singhania Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road), Kolkata – 700 020	26.03.2008	3.00 P.M.
2007-2009	Same as above	31.08.2009	11.30 A.M.
2009-2010	Same as above	14.08.2010	11.45 A.M.

One Special Resolution was passed at the last AGM held in year 2010, Three Special Resolutions were passed at the AGM held in year 2009 and one Special Resolution was passed in the AGM held in year 2008.

No Special Resolution was required to be put through postal ballot during the financial year ended 31st March 2011.

8. (a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large :

None. Suitable disclosure as required by Accounting Standard(AS-18) – Related Party Transactions has been made in the Annual Report.

(b) 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.

(c) The Company has strengthened its risk management system and has further laid down procedures to inform Board Members about risk assessment and minimization procedures. These procedures are being periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

9. MEANS OF COMMUNICATION:

Quarterly, half-yearly and annual results are published in leading English Newspapers and also in a Bengali language Newspaper(published from Kolkata). 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 - 'www.jktyre.com'.

Management Discussion and Analysis forms part of the Annual Report.

10. GENERAL SHAREHOLDERS INFORMATION :

(i) Registered Office 7, Council House Street, Kolkata-700 001. Phone No: 033-22486181

(ii) Annual General Meeting (AGM)

(a) Date, Time & Venue Friday, 29th July 2011 at Shripati Singhania Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road), Kolkata – 700 020 at 11.00 a.m.

(b) As required under Clause 49(IV)(G)(i), a brief resume and other particulars of Directors 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)

Financial Reporting for the quarter ending :

- 1st Quarter ending June 30, 2011
 - 2nd Quarter ending September 30, 2011
 - 3rd Quarter ending December 31, 2011
 - 4th Quarter ending March 31, 2012
 - Annual General Meeting for the financial year 2011-12
- } Within 45 days
of the end of
the quarter
- } Within 60 days of
the end of the 4th
quarter
- } Between July and
September, 2012

(iv) Dividend Payment Date During August 2011

(v) Date of Book Closure 26th July to 29th July, 2011

(vi) Listing on Stock Exchanges The Equity Shares of the Company are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The annual listing fee for the financial year 2011-12 has been paid to both the aforesaid Stock Exchanges. The Company has got voluntary delisting of its Equity Shares from the Calcutta Stock Exchange under SEBI (Delisting of Equity Shares) Regulations, 2009 w.e.f. 18th August 2010.

(vii) Security Code for Company's Equity Shares on Stock Exchanges and ISIN BSE – 530007
NSE – JKTYRE
ISIN – INE573A01034.

(viii) Stock Market Price Data

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April-2010	215.60	190.80	215.50	181.00
May-2010	200.00	166.60	202.00	166.30
June-2010	182.70	158.00	181.50	145.00
July-2010	173.35	157.50	173.50	157.10
August-2010	188.40	157.75	189.00	155.15
September-2010	202.60	169.05	204.00	169.00
October-2010	196.30	162.15	196.40	162.40
November-2010	170.50	130.00	170.65	134.90
December-2010	153.90	132.15	153.00	132.30
January-2011	139.30	101.15	139.30	102.05
February-2011	104.00	75.50	104.25	77.40
March-2011	100.90	82.50	100.90	82.30

JK Tyre & Industries Ltd.'s (JKTI's) Share Performance v/s BSE Sensex (April 2010 – March 2011)

Month	BSE - JKTI's Share Price (Closing)		BSE Sensex (Closing)	
	(₹)	(Relative Values to 100)	Actual	(Relative Values to 100)
April-2010	197.75	100.00	17558.71	100.00
May-2010	178.80	90.42	16944.63	96.50
June-2010	159.65	80.73	17700.90	100.81
July-2010	163.85	82.86	17868.29	101.76
August-2010	168.10	85.01	17971.12	102.35
September-2010	184.25	93.17	20069.12	114.30
October-2010	163.45	82.65	20032.34	114.09
November-2010	147.10	74.39	19521.25	111.18
December-2010	134.85	68.19	20509.09	116.80
January-2011	102.65	51.91	18327.76	104.38
February-2011	86.55	43.77	17823.40	101.51
March-2011	93.65	47.36	19445.22	110.74

(ix) Distribution of Shareholding (as on 31.3.2011):

No. of Equity Shares Held	No. of Shares		Shareholders	
	Total	% of Total	Number	% of Total
1-250	1954556	4.76	30101	87.27
251-500	915115	2.23	2483	7.20
501-1000	778435	1.90	1011	2.93
1001-5000	1504923	3.67	682	1.98
5001-10000	724442	1.76	96	0.28
10001 & above	35181875	85.68	118	0.34
Total	41059346	100.00	34491	100.00

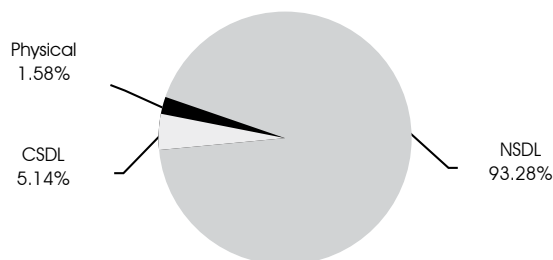
(x) Share Transfer System

The transfer/transmission of shares in physical form is normally processed and completed within a period of 15-20 days from the date of receipt thereof. In case of shares in electronic 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 2011



As on 31st March 2011, 98.42% of the Equity Shares are held in dematerialized form.



(xii) Outstanding GDRs/ADRs/Warrants/Options :-- NIL
or any Convertible instruments, conversion
date and likely impact on equity

(xiii) Plant Locations

- (i) Jaykaygram, Rajasthan
- (ii) Banmore, Madhya Pradesh
- (iii) Mysore Plant I , Karnataka
- (iv) Mysore Plant II, Karnataka
- (v) Mysore Plant III, Karnataka
- (vi) Chennai Plant, Tamil Nadu - under construction.

(xiv) Address for Correspondence for Share Transfer and Related
Matters

1. Vice President (Legal) & Company Secretary

JK Tyre & Industries Ltd.
Secretarial Department
Gulab Bhawan
6A, Bahadur Shah Zafar Marg,
New Delhi - 110 002.
Phone No.: 91-11-30179260
Fax No. : 91-11-23322059
Email: investorjkyre@jkm.com
Website : www.jktyre.com

2. Registrar & Share Transfer Agent

Alankit Assignments Ltd.
Alankit House
2E/21, Jhandewalan Extension,
New Delhi-110 055 (India)
Phone No. :91-11-42541234, 91-11-23541234
Fax No: 91-11-42541967
Email: rta@alankit.com
Website: www.alankit.com

11 DECLARATION :

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 2011.

Dr. Raghupati Singhania
Vice Chairman & Managing Director

12 AUDITOR'S COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE :

To

The Members of JK Tyre & Industries Ltd.

We have examined the compliance of conditions of Corporate Governance by JK Tyre & Industries Ltd. for the financial year ended 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For LODHA & CO.
Chartered Accountants

N.K. Lodha
Partner

Place: New Delhi
Dated: 24th May 2011

Firm Registration No.:301051E
Membership No.85155

Disclosure of names of persons constituting group in relation to JK Tyre & Industries Ltd. pursuant to Regulation 3(1)(e)(i) of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997

JK Lakshmi Cement Ltd., JK Paper Ltd., Fenner (India) Ltd., BMF Investments Ltd., Southern Spinners and Processors Ltd., Modern Cotton Yarn Spinners Ltd., JK Agri Genetics Ltd., Florence Alumina Ltd., JK Plant Bio Sciences Research Ltd., Natext Biosciences Pvt. Ltd., JK Sugar Ltd., Bengal & Assam Company Ltd., Nav Bharat Vanijya Ltd., Juggilal Kamlapat Udyog Ltd., Pranav Investment (M.P.) Company Ltd., Param Shubham Vanijya Ltd., J.K. Credit & Finance Ltd., Accurate Finman Services Ltd., Bhopal Udyog Ltd., Sago Trading Ltd., Rouncy Trading Pvt. Ltd., J.K. Risk Managers and Insurance Brokers Ltd., JK Enviro-Tech Ltd., Panchmahal Properties Ltd., Acron Engineering Ltd., Elate Builders Pvt. Ltd., LVP Foods Pvt. Ltd., CliniRx Research Pvt. Ltd., Saptrishi Consultancy Services Ltd., Dwarakesh Energy Ltd., Hansdeep Industries and Trading Company Ltd., Songadh Infrastructure & Housing Ltd., Jaykaypur Infrastructure & Housing Ltd., Umang Dairies Ltd., M/s Habras International, M/s Juggilal Kamlapat Lakshmiapat and Directors of the promoter group and their relatives.

AUDITORS' REPORT

TO THE MEMBERS

We have audited the attached Balance Sheet of JK Tyre & Industries Limited, as at 31st March, 2011, the Profit and Loss Account and also the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) (The Order) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 (The Act), and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us during the course of audit, we enclose in the Annexure, a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in Paragraph 1 above, we report that:
 - (a) We have 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 appears from our examination of those books;
 - (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;
 - (e) As per the information and explanations given to us, none of the directors of the Company is disqualified from being appointed as a director under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and Notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
- ii) In the case of the Profit & Loss Account, of the Profit for the year ended on that date; and

- iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For LODHA & CO.
Chartered Accountants

N.K. LODHA
Partner

Firm Registration No. 301051E
Membership No. 85155

New Delhi, the 24th May, 2011

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph (1) of our Report of even date of JK Tyre & Industries Limited for the year ended 31st March, 2011

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the Management according to the programme 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 fixed assets. The discrepancies noticed on such physical verification were not material.
 - (c) As per the records and information and explanations given to us, fixed assets disposed off during the year were not substantial.
2. (a) The Inventory of the Company (except stock lying with third parties and in transit, for which confirmations have been received / materials received) has been verified by the Management at reasonable intervals.
 - (b) The procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - (c) The Company is maintaining proper records of inventory. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
3. The Company has neither granted nor taken any loan, secured or unsecured to and from companies, firms or other parties as covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (b) to (d), (f) & (g) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Based on the audit procedure performed and on the basis of information and explanations provided by the Management, during the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.
5. According to the information and explanations provided by the Management and based upon audit procedures performed, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section and the transactions made in pursuance of such contracts or arrangements (exceeding the value of five lacs rupees in respect of each party during the financial year) have been made at prices which are generally reasonable having regard to the prevailing market prices at the relevant time.



6. 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 Sections 58A and 58AA or any other relevant provisions of the Act and the rules framed thereunder with regard to deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209(1) (d) of the Act in respect of the Company's products to which the 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.
9. (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Cess and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2011 except excise duty ₹ 22.29 lacs (since deposited).
(b) According to the records and information & explanations given to us, there are no dues in respect of Income tax, Wealth tax and Cess that have not been deposited with the appropriate authorities on account of any dispute and the dues in respect of Sales tax, Excise duty, Custom duty and Service tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending are given below:
10. The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
11. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi / mutual benefit fund / society, therefore, the provisions of clause 4 (xiii) of the said Order are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company does not have any guarantee outstanding for loans taken by others from bank. In our opinion, the terms and conditions on which the Company had given guarantee for loan taken by others from bank are not prima facie prejudicial to the interest of the Company. However, the Company has not given any guarantee for loan taken by others from financial institutions.
16. In our opinion, on the basis of information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.
17. On the basis of information and explanations given to us and on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term investment.
18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares during the year to any parties or companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. On the basis of records made available to us and according to the information and explanations given to us, the Company has created securities as stated in footnote (1) of Schedule 3 in respect of debentures outstanding during the year.
20. The Company has not raised any money by way of public issue during the year.
21. Based on the audit procedure performed and on the basis of information and explanations provided by the Management, no fraud on or by the Company has been noticed or reported during the course of the audit.

Name of the Statute	Nature of the dues	Amount (₹ in Lacs)	Forum where dispute is pending
Sales Tax Act	Sales Tax	2.15	Deputy Commissioner
		124.88	Deputy Commissioner (Appeals)
		0.51	Additional Commissioner
		1.65	Tribunal
		1.80	High Court
Central Excise Act	Excise Duty	54.50	Commissioner (Appeals)
		99.81	Additional Commissioner
		182.47	CESTAT
		19.68	Supreme Court
Custom Act	Custom Duty	241.15	Supreme Court
Finance Act	Service Tax	32.34	Commissioner (Appeals)
		83.80	Deputy Commissioner
		28.39	CESTAT
The Rajasthan Tax on Entry of Goods into Local Area Act, 1999	Entry Tax	35.33	High Court

Read with note no. B 11 of Schedule 14.

For LODHA & CO.
Chartered Accountants

N.K. LODHA
Partner

Firm Registration No. 301051E
Membership No. 85155

New Delhi, the 24th May, 2011



PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2011

₹ in Crores (10 Million)

	Schedule	2010-2011	2009-2010
INCOME			
SALES		5247.57	3956.29
LESS: EXCISE DUTY		436.65	<u>278.59</u>
OTHER INCOME	8	20.86	14.72
INCREASE / (DECREASE) IN FINISHED GOODS	9	148.20	<u>(72.67)</u>
		4979.98	<u>3619.75</u>
EXPENDITURE			
MATERIALS AND MANUFACTURING	10	3989.13	2554.02
EMPLOYEES	11	271.80	253.98
FREIGHT AND TRANSPORTATION		111.73	94.64
OTHER EXPENSES	12	329.90	<u>296.82</u>
		4702.56	<u>3199.46</u>
OPERATING PROFIT (BEFORE INTEREST & DEPRECIATION)		277.42	420.29
INTEREST	13	94.65	<u>88.66</u>
		182.77	331.63
PROFIT BEFORE DEPRECIATION		114.54	109.42
DEPRECIATION		23.44	<u>23.47</u>
TRANSFER FROM CAPITAL RESERVE			
		91.67	245.68
PROFIT BEFORE TAX		24.59	54.78
PROVISION FOR CURRENT TAX		5.76	<u>27.43</u>
DEFERRED TAX			
		61.32	163.47
PROFIT AFTER TAX		-	0.29
TAX PROVISION FOR EARLIER YEAR		3.85	5.63
DEBENTURE REDEMPTION RESERVE NO LONGER REQUIRED		78.27	<u>27.23</u>
SURPLUS FROM PREVIOUS YEAR		143.44	<u>196.04</u>
APPROPRIATIONS			
DEBENTURE REDEMPTION RESERVE		0.38	1.01
GENERAL RESERVE		80.00	100.00
PROPOSED DIVIDEND		12.32	14.37
CORPORATE DIVIDEND TAX		2.00	2.39
SURPLUS CARRIED TO BALANCE SHEET		48.74	<u>78.27</u>
		143.44	<u>196.04</u>
BASIC / DILUTED EARNINGS PER SHARE (₹) - CASH		38.52	67.36
- AFTER TAX		14.93	39.74
ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	14		

Schedules 8 to 14 attached to the Profit & Loss Account are an integral part thereof.

As per our report of even date

For LODHA & CO.
Chartered Accountants

N.K. LODHA
Partner

P.K. RUSTAGI
Secretary

New Delhi, the 24th May, 2011

H.S. SINGHANIA
Dr. RAGHUPATI SINGHANIA
BHARAT HARI SINGHANIA
ARVIND SINGH MEWAR
ASHOK U. KATRA
BAKUL JAIN
OM PRAKASH KHAITAN
ARUN KUMAR BAJORIA
S.C. SETHI
VIKRAMPATI SINGHANIA

Chairman
Vice Chairman & Managing Director
Managing Director

Directors

Schedule 1	₹ in Crores (10 Million)	
	31.03.2011	31.03.2010
SHARE CAPITAL		
Authorised:		
Equity Shares - 12,50,00,000 of ₹ 10 each	125.00	125.00
14% Cumulative Redeemable Preference Shares - 7,00,000 of ₹ 100 each	7.00	7.00
Preference Shares - 48,00,000 of ₹ 100 each	48.00	48.00
	<u>180.00</u>	<u>180.00</u>
Issued, Subscribed and Paid up:		
Equity Shares - 4,10,59,346 of ₹ 10 each fully paid up (Previous year 4,10,59,346 equity shares of ₹ 10 each)	41.06	41.06
	<u>41.06</u>	<u>41.06</u>

Includes 33,750 Bonus shares by way of capitalisation of reserves and 86,51,639 shares issued to the shareholders of erstwhile Vikrant Tyres Ltd. pursuant to the Scheme of Arrangement and Amalgamation without payment being received in cash.

Schedule 2	31.03.2010	Additions	₹ in Crores (10 Million)	
			Transfers	31.03.2011
RESERVES AND SURPLUS				
Capital Reserve	107.34	-	23.56 (a)	83.78 (b)
Capital Redemption Reserve	7.00	-	-	7.00
Debenture Redemption Reserve	4.18	0.38	3.85	0.71
Securities Premium	220.23	-	2.14 (c)	218.09
General Reserve	235.34	80.00	-	315.34
Surplus in Profit and Loss Account	78.27	-	29.53	48.74
	<u>652.36</u>	<u>80.38</u>	<u>59.08</u>	<u>673.66</u>

(a) ₹ 23.44 crs. towards depreciation arising out of revaluation transferred to Profit & Loss Account and ₹ 0.12 cr. adjusted for Fixed Assets sold / transferred.

(b) Represents revaluation reserve.

(c) Provision for premium on redemption of Zero Coupon Non-Convertible Debentures.



₹ in Crores (10 Million)
31.03.2011 31.03.2010

Schedule 3

LOANS

SECURED LOANS

Zero Coupon Non-Convertible Debentures	2.82	14.70
<i>Term Loans:</i>		
Financial Institutions	-	4.11
Banks	230.77	267.61
Others	73.74	81.12
Other Loans from Banks	417.24	18.78
Deferred Sales Tax	34.11	47.01
	<u>758.68</u>	<u>433.33</u>

UNSECURED LOANS

Fixed Deposits	62.74	74.43
Deferred Sales Tax	104.63	83.46
Short Term Loans - Banks	391.98	268.96
	<u>559.35</u>	<u>426.85</u>

NOTES:

1. (a) 63389 Zero Coupon Non-Convertible Debentures (ZCNCDs) of ₹ 10,000 each issued to a Bank, outstanding as at 31.03.2011 Nil, were secured by first pari passu charge created on the specified property of Gujarat and movable and immovable properties of Company's Plants in Rajasthan and Madhya Pradesh, both present and future. These debentures were redeemed at premium based on a YTM of 13.5% p.a. upto 30.06.2005 and a YTM of 9% p.a. w.e.f. 01.07.2005 with quarterly rests in five instalments at the end of 3 to 7 years from the respective dates of payment of allotment money / call money.
- (b) 12856 Zero Coupon Non-Convertible Debentures (ZCNCDs) of ₹ 10,000 each issued to a Bank, outstanding as at 31.03.2011 Nil, were secured by first pari passu charge created on the specified property of Gujarat and movable and immovable properties of Company's Plants in Rajasthan and Madhya Pradesh, both present and future. These debentures were redeemed at premium based on a YTM of 13.5% p.a. with quarterly rests in five instalments at the end of 3 to 7 years from the respective dates of payment of allotment money / call money.
- (c) 27353 Zero Coupon Non-Convertible Debentures (ZCNCDs) of ₹ 10,000 each issued to a Bank, outstanding amount ₹ 2.12 crs., are secured by first pari passu charge created on the specified property of Gujarat and movable and immovable properties of Company's Plants in Karnataka, both present and future. These debentures are redeemable at premium based on a YTM of 13.75% p.a upto 30.06.2005 and a YTM of 9% p.a. w.e.f. 01.07.2005 with quarterly rests in five instalments at the end of 3 to 7 years from the respective dates of payment of allotment money / call money.
- (d) 9057 Zero Coupon Non-Convertible Debentures (ZCNCDs) of ₹ 10,000 each issued to Financial Institutions, outstanding amount ₹ 0.70 cr., are secured by first pari passu charge created on the specified property of Gujarat and movable and immovable properties of Company's Plants in Karnataka, both present and future. 2656 ZCNCDs are redeemable at premium based on a YTM of 13.75% p.a. and 6401 ZCNCDs are redeemable at premium based on a YTM of 13.75% p.a. reduced to a YTM of 9% p.a. w.e.f. various dates during January, 2006 to March, 2006 with quarterly rests in five instalments at the end of 3 to 7 years from the respective dates of payment of allotment money / call money.
2. Term Loan of ₹ 40 crs. from a Bank is secured by a first pari passu charge created on movable and immovable properties of Company's Plant in Madhya Pradesh, both present and future.
3. Term Loans from Financial Institutions and Banks outstanding as at 31.03.2011 Nil, were secured by a first pari passu charge created on movable and immovable properties of the Company's Plants in Rajasthan and Madhya Pradesh, both present and future. Loan outstanding from a Bank as at 31.03.2011 Nil (comprised in Term Loans from Banks) was also secured by exclusive hypothecation of specified Book Debt.

4. Term Loans aggregating ₹ 5.25 crs. from Banks are secured by a first pari passu charge created on movable and immovable properties of Company's Plants in Rajasthan, Madhya Pradesh and Karnataka, both present and future.
5. Term Loans from Financial Institutions and Banks outstanding as at 31.03.2011 Nil were secured by a first pari passu charge created on movable and immovable properties of Company's Plants in Karnataka, both present and future.
6. Term Loans aggregating ₹ 173.16 crs. from Banks are secured by a first pari passu charge created on movable and immovable properties at a Company's Plant in Karnataka, both present and future and also secured by way of hypothecation created / to be created on the specified movable assets at Company's Plants in Rajasthan, Madhya Pradesh and Karnataka.
7. Term Loan of ₹ 12.25 crs. from a Bank is secured by an exclusive charge by way of hypothecation of specified assets at Company's Plants in Rajasthan, Madhya Pradesh and Karnataka.
8. Term Loan of ₹ 0.11 cr. from a Bank and ₹ 0.19 cr. from a body corporate are secured by hypothecation of specified vehicles.
9. Term Loan of ₹ 73.55 crs. from a body corporate will be secured by way of hypothecation on the specified assets at a Company's Plant in Karnataka.
10. Other Loans from banks represent Working Capital borrowings aggregating ₹ 417.24 crs. secured by hypothecation of stocks and book debts etc. of the Company, both present and future (except specified book debt exclusively hypothecated to a bank against Term Loan as referred to in note no.3) and second charge created on movable and immovable properties of the Company's Plants in Rajasthan, Madhya Pradesh and Karnataka.
11. Term Loans carrying first pari passu charge on the movable and immovable properties, are subject to prior charge of banks on stocks and book debts for working capital borrowings.
12. (a) Deferred Sales Tax Loan aggregating ₹ 29.88 crs. from Madhya Pradesh State Industrial Development Corporation Limited is secured by first available charge on movable and immovable properties created subject to charges referred to in note 1(a & b), 2, 3, 4, 6 & 7 on movable and immovable properties of Company's Plant in Madhya Pradesh.
(b) Deferred Sales Tax Loan aggregating ₹ 4.23 crs. from Government of Karnataka subordinated to loans from Financial Institutions, is secured by a second charge on immovable properties of Company's Plant in Karnataka.

Schedule 4

FIXED ASSETS

₹ in Crores (10 Million)

Assets	Gross Value				Depreciation				Net Value	
	As at 31.03.2010	Additions	Sales/ Adjustments	As at 31.03.2011	Upto 31.03.2010	For the year	Sales/ Adjustments	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
Land - Freehold	12.60	-	-	12.60	-	-	-	-	12.60	12.60
- Leasehold	10.68	-	0.01	10.67	0.88	0.11	-	0.99	9.68	9.80
Buildings*	259.98	39.47	-	299.45	58.76	6.74	-	65.50	233.95	201.22
Plant & Machinery	2223.06	125.31	1.84	2346.53	1128.28	102.06	1.18	1229.16	1117.37	1094.78
Office Equipments, Furniture & Fixtures	26.47	1.81	0.36	27.92	12.54	1.25	0.13	13.66	14.26	13.93
Vehicles	17.33	14.03	2.98	28.38	4.70	2.03	1.34	5.39	22.99	12.63
Intangible Assets - Software#	11.78	-	-	11.78	3.97	2.35	-	6.32	5.46	7.81
	2561.90	180.62	5.19	2737.33	1209.13	114.54	2.65	1321.02	1416.31	1352.77
Previous year 2009-10	2270.38	295.34	3.82	2561.90	1101.50	109.42	1.79	1209.13	1352.77	-

* Buildings include ₹ 2.05 crs. constructed on lease land, 274 shares held in co-operative housing societies and property worth ₹ 0.46 cr. yet to be registered in company's name.

Being amortised over a period of 5 years.



Schedule 5

INVESTMENTS

	Class of Shares/ Debentures	31.03.2011		31.03.2010	
		Numbers	₹ in Crores (10 Million)	Numbers	₹ in Crores (10 Million)
LONG TERM INVESTMENTS (Other than trade)					
Names of the Bodies Corporate					
Hari Shankar Singhania Elastomer & Tyre Research Institute (₹ 2400; As at 31.03.2010: ₹ 2400)	Equity	24		24	
HDFC Bank Ltd. (₹ 10000; As at 31.03.2010: ₹ 10000)	Equity	1,000		1,000	
JK Agri Genetics Ltd. (Zero coupon secured non-convertible bonds)	Bonds	1,00,000	42.50	1,00,000	42.50
JK Sugar Ltd. (Zero coupon preference shares)	Preference	15,00,000	13.50	15,00,000	13.50
Bengal & Assam Company Ltd.	Equity	11,641	0.05	11,641	0.05
Larsen & Toubro Ltd.	Equity	2,800	0.46	2,800	0.45
Reliance Industries Ltd.	Equity	4,360	0.46	4,360	0.47
V.S. Lignite Power Pvt. Ltd.#	Equity	5,77,778	0.58	5,77,778	0.58
V.S. Lignite Power Pvt. Ltd. (0.01% Cumulative Redeemable)#	Preference	11,14,222	1.11	11,14,222	1.11
Subsidiary Companies					
Lankros Holdings Ltd. (Euro 1 Each)*	Equity	40,02,000	26.31	40,02,000	26.31
Sarvi Holdings Switzerland AG. (CHF 1000 each)*	Equity	100	0.40	100	0.40
JK Tornel, S.A. De C.V. (Mexican Pesos 1000 each)* \$	Equity	25	0.01	25	0.01
J.K. International Ltd. (£ 1 each)	Equity	1,35,000	0.61	1,35,000	0.61
J.K. Asia Pacific Ltd. (HK\$ 1 each)	Equity	19,99,999	0.71	19,99,999	0.71
Others					
LIC Mutual Fund Growth Fund	Units	2,50,000	0.25	2,50,000	0.25
7.65% HDFC Bonds	Bonds	14	1.35	14	1.35
8.00% Himachal Pradesh Infrastructure Development Board	Bonds	10	1.00	10	1.00
10.35% HDFC Bonds	Bonds	9	0.94	9	0.94
8.96% HDFC Bonds	Bonds	33	3.32	-	-
J.K.I. Employees Co-operative Credit Society Ltd. (₹ 5000; As at 31.03.2010: ₹ 5000)	Equity	5		5	
Government Securities (Deposited with Government Department) National Savings Certificates (₹ 25000; As at 31.03.2010: ₹ 10000)					
			93.56		90.24
Aggregate book value of unquoted Investments			92.59		89.27
Aggregate book value of quoted Investments			0.97		0.97
Market Value of quoted Investments			1.44		1.33

Under lien with Issuer.

* Pledged with bank for loans availed by certain foreign subsidiaries.

\$ Erstwhile Sunrise Hold Co., S.A. De C.V., Mexico.

Schedule 6

₹ in Crores (10 Million)
31.03.2011 31.03.2010

CURRENT ASSETS, LOANS AND ADVANCES

A. CURRENT ASSETS

Raw Materials	296.01	245.80
Stores and Spares	25.29	25.26
Finished Goods	326.02	165.08
Stock-in-Process	41.28	23.56
Debtors (unsecured, considered good):		
Debts over six months	11.50	13.94
Other Debts	702.49	473.66
Interest Accrued on Investments	0.44	0.15
Cash and Bank Balances:		
Cash on hand	0.06	0.11
Remittances in transit and Cheques on hand	78.43	51.04
Balances with Scheduled Banks:		
On Current Accounts	6.62	9.30
On Deposit Accounts (pledged with bank ₹ 0.17 cr.; 31.03.2010: ₹ 2.70 crs.)	0.17	2.82
On Savings Bank Account (For Employees Security Deposit) (31.03.2010: ₹ 5078)	-	
	<u>1488.31</u>	<u>1010.72</u>

B. LOANS AND ADVANCES (Considered Good)

Secured Loan	0.62	0.62
Unsecured:		
Loans	6.30	6.30
Subsidiary Companies	9.78	13.39
Advances recoverable in cash or in kind or for value to be received	114.66	84.65
Deposit with Government Authorities and Others	19.66	11.82
Fringe Benefit Tax Advance Payments	-	7.03
MAT Credit Entitlement	8.74	8.74
Income Tax Advance Payments	78.43	69.40
	<u>238.19</u>	<u>201.95</u>
	<u>1726.50</u>	<u>1212.67</u>

Schedule 7

CURRENT LIABILITIES AND PROVISIONS

A. CURRENT LIABILITIES

Acceptances	203.19	14.76
Sundry Creditors	662.96	648.37
Investor Education and Protection Fund (Refer note B18 of Schedule 14)	2.14	2.04
Other Liabilities	369.90	317.73
Interest accrued but not due on loans	4.30	5.04
	<u>1242.49</u>	<u>987.94</u>

B. PROVISIONS

Provision for Retirement Benefits	9.83	12.89
Provision for Taxation	80.00	70.83
Provision for Fringe Benefit Tax	-	6.58
Proposed Dividend	12.32	14.37
Provision for Corporate Dividend Tax	2.00	2.39
	<u>104.15</u>	<u>107.06</u>
	<u>1346.64</u>	<u>1095.00</u>



₹ in Crores (10 Million)
2010-2011 2009-2010

Schedule 8

OTHER INCOME

Income From Long Term Investments (other than trade):

Dividends	0.01	0.01
Interest (tax at source ₹ 0.02 cr.; 2009-10: ₹ Rs. 0.01 cr.)	0.55	0.28
Reversal of provision for Diminution in value of Long Term Investments	-	0.49
Provision of earlier years, no longer required	0.19	-
Miscellaneous Income	20.11	13.94
	<u>20.86</u>	<u>14.72</u>

Schedule 9

INCREASE / (DECREASE) IN FINISHED GOODS

Opening Stock	165.08	237.18
Closing Stock	326.02	165.08
	<u>160.94</u>	<u>(72.10)</u>
Differential Excise Duty on Increase / Decrease of Finished Goods	(12.74)	(0.57)
	<u>148.20</u>	<u>(72.67)</u>

Schedule 10

MATERIALS AND MANUFACTURING

Raw Materials Consumed	3660.94	2258.19
(Increase) / Decrease in Stock-in-Process	(17.72)	2.07
Conversion Charges	67.42	42.28
Purchase of Finished Goods	36.59	36.78
Consumption of Stores and spares	41.93	35.62
Power and Fuel	184.18	165.36
Repairs to Buildings	3.99	4.82
Repairs to Machinery	11.80	8.90
	<u>3989.13</u>	<u>2554.02</u>

Schedule 11

EMPLOYEES

Salaries, Wages, Bonus and Gratuity	195.72	189.96
Contribution to Provident and other Funds	19.87	17.34
Employees' Welfare and other Benefits	56.21	46.68
	<u>271.80</u>	<u>253.98</u>

Schedule 12	₹ in Crores (10 Million)	
	2010-2011	2009-2010
OTHER EXPENSES		
Rent	7.34	6.32
Other Taxes	9.51	7.55
Insurance	2.70	2.36
Discount	160.58	140.10
Royalty	7.11	9.17
Advertisement and Sales Promotion	41.28	36.45
Directors' Fee	0.08	0.09
Commission	23.13	16.66
Loss / (Profit) on sale of Assets (Net) (2009-10: ₹ 43888)	0.04	
Deferred Revenue Expenditure Written off	-	5.21
Bad Debts Written off	-	0.75
Provision for Diminution in value of Long Term Investments (₹ 41746)		-
Provision for Doubtful Debts / Advances	0.50	0.50
Bank charges, Printing & Stationery, Postage, Telephone, Travelling and other Miscellaneous Expenses	77.63	71.66
	<u>329.90</u>	<u>296.82</u>

Schedule 13

INTEREST

Interest on:

Debentures, Term Loans and Fixed Deposits	33.08	34.98
Others	64.99	57.58
	98.07	92.56
Less: Received on Short Term Loans and Others (Tax at source ₹ 0.13 cr.; 2009-10: ₹ 0.17 cr.)	3.42	3.90
	<u>94.65</u>	<u>88.66</u>



Schedule 14

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. The financial statements have been prepared under historical cost convention (except for certain fixed assets which were revalued) on accrual basis in compliance with applicable Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and relevant provisions of the Companies Act, 1956.
2. Fixed assets are stated at cost adjusted by revaluation of certain assets.
3. Expenditure during construction / erection period is included under capital work-in-progress and is allocated to the respective fixed assets on completion of construction / erection.
4.
 - a) Depreciation on fixed assets has been provided using Straight Line Method at rates and manner prescribed under Schedule XIV of the Companies Act, 1956. Continuous Process Plants as defined in Schedule XIV have been considered on technical evaluation.
 - b) Leasehold Land is being amortised over the lease period.
 - c) Depreciation on the increased amount of assets due to revaluation is computed on the basis of residual life of the assets as estimated by the valuer on Straight Line Method.
5. 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. Premium in respect of forward contracts is recognised over the life of contract. Exchange differences arising on actual payments / realizations and year end translations including on forward contracts are dealt with in Profit and Loss Account. Non Monetary Foreign Currency items are stated at cost.
6. Long Term Investments are stated at cost. Provision for diminution in the value of long term Investments is made only if, such a decline is other than temporary. The Current Investments are stated at lower of cost or quoted / fair value computed category-wise.
7. Inventories are valued at lower of cost and net realisable value. The cost is computed on weighted average basis. Finished Goods and Process Stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
8. Revenue Expenditure on Research and Development is charged to Profit & Loss Account and Capital Expenditure is added to Fixed Assets.
9. Borrowing Cost is charged to Profit & Loss Account except cost of borrowings for acquisition of qualifying assets which is capitalised till the date of commercial use of the asset.
10. The carrying amount of assets 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 Profit & Loss Account 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.
11. Employee Benefits:
 - (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 and Losses are recognised immediately in the Profit & Loss Account.

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.

12. Export incentives and other benefits are recognised in the Profit & Loss Account. Project subsidy is credited to Capital Reserve.
13. 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. Deferred Tax is recognised for timing differences. However, Deferred Tax Asset is recognised on the basis of reasonable / virtual certainty that sufficient future taxable income will be available against which the same can be realised.
14. Intangible Assets are being 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 being amortised over the expected duration of benefits.

B. NOTES ON ACCOUNTS

1. Estimated amount of contracts remaining to be executed on capital account ₹ 415.59 crs. (Previous year: ₹ 164.49 crs.).
2. Contingent liabilities in respect of claims not accepted and not provided for ₹ 37.64 crs. (Previous year: ₹ 35.64 crs.) pertaining to Excise duty matters in appeal ₹ 4.45 crs., Service tax matters ₹ 1.49 crs., Sales Tax matters in appeal ₹ 3.40 crs., Income tax matters in appeal ₹ 6.76 crs. & other matters ₹ 21.54 crs. (Previous year: ₹ 4.39 crs., ₹ 1.30 crs., ₹ 2.36 crs., ₹ 6.76 crs. & ₹ 20.83 crs. respectively).
3. Bills discounted with banks outstanding ₹ 13.86 crs. (Previous year: ₹ 15.40 crs.).
4. Excise Duty liability on account of valuation of finished goods is disputed and is yet to be determined. Without prejudice to the Company's stand in this behalf, as per Government's desire an adhoc amount of ₹ 5.45 crs. was paid under protest in earlier years and debited to 'Advances Recoverable' and an equivalent amount was provided in Profit and Loss Account. On Writ Petition filed by the Company in the Hon'ble Delhi High Court, the said Court directed the Excise Authorities to determine the valuation of finished goods in accordance with law and observations made in the order.
5. The Company has given guarantee to a bank in respect of loan outstanding as at 31.03.2011 of Nil (Previous year: ₹ 0.45 cr.) in respect of a body corporate against counter indemnity.
6. Factory & Service Buildings and Plant and Machinery of Company's Plant at Jaykaygram were revalued as at 1st January, 1985 & 1st April, 1991. On 1st April, 1997 the revaluation of such assets was updated along with similar assets of Banmore plant. The revaluation of said assets of Jaykaygram and Banmore was further updated alongwith Factory Land and Township Building as at 1st April, 2002 based on replacement cost by a Valuer. The Gross Block includes cumulative surplus of ₹ 667.23 crs. as at 31.03.2011 (Previous year: ₹ 667.78 crs.) arising on revaluation.
7. Capital work in progress includes Machinery in stock / transit, construction / erection materials, advances for construction, Machinery, cost paid for land and the following pre-operative expenses pending allocation:

	₹ in Crores (10 Million)	
	31.03.2011	31.03.2010
Raw Material Consumption	7.34	0.40
Stores Consumption	0.45	0.10
Salaries and Wages	6.12	3.94
Rates and Taxes (including excise)	1.24	0.04
Travelling Expenses	1.40	1.49
Power and Fuel Consumed	2.41	0.70
Interest on Term Loans & Other Loans	15.28	8.10
Miscellaneous Expenditure	2.65	1.30
	36.89	16.07
Less: Sales	13.39	0.39
	23.50	15.68
Add: Expenditure upto previous year	9.24	12.19
	32.74	27.87
Less: Transferred to Fixed Assets	16.20	18.63
	16.54	9.24



8. a) Debts over six months and Advances are net of provisions made for Doubtful Debts ₹ 3.23 crs. and Advances Nil (Previous year: ₹ 3.03 crs. and ₹ 0.32 cr. respectively).
- b) Debts over six months / Advances include ₹ 3.40 crs. (Previous year: ₹ 3.66 crs.) for which legal and other necessary action has been taken. In the opinion of the Management, these debts are recoverable and the same have been classified as good.
9. 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.
10. Raw materials consumed has been determined after adjusting ₹ 11.81 crs. (Previous year: ₹ 26.83 crs.) accounted for on accrual basis in respect of import entitlements against exports made under Duty Exemption Scheme.
11. The Company has worked out reversal of Modvat Credit availed on exports under Value Based Advance Licence in earlier years and reversed the same in accounts. Pursuant to special scheme announced by the Government, the Company has also paid interest on such reversals. Further, the Excise department has issued certain basis for reversal of Modvat, which is disputed and has been contested by the Company in a Writ Petition before the Hon'ble Delhi High Court and directions have been issued to treat the reversal already made by the Company as provisional.
12. a) Exchange difference (net) amounting ₹ 12.84 crs. (Previous year: ₹ 5.83 crs. - credited) has been debited in respective heads of account in Profit and Loss account.
- b) Forward Contracts for hedging Payables - ₹ 207.71 crs. - US \$ 44.74 Million, ₹ 152.17 crs. - Euro 24.25 Million and ₹ 9.30 crs. - GBP 1.26 Million (Previous year: ₹ 76.29 crs. - US \$ 16.40 Million, ₹ 0.90 cr. - Yen 17.16 Million, ₹ 74.19 crs. - Euro 11.03 Million and ₹ 9.87 crs. - GBP 1.29 Million) are outstanding as at 31.03.2011.
- c) Foreign currency exposure unhedged net payable is ₹ 94.42 crs. - US \$ 21.15 Million (Previous year: ₹ 104.65 crs. - US \$ 23.18 Million) as at 31.03.2011.
13. The details of amounts outstanding under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) to the extent of information available with the Company are as under: (i) Principal & Interest amount due and remaining unpaid as at 31.03.2011: 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 31.03.2011: Nil (Previous year: Nil).
14. The Company has not provided diminution in the value of certain unquoted long term strategic investments, since in the opinion of the Board, such diminution in their value is temporary in nature, considering the inherent value, nature of investments, the investees' assets and expected future cash flow from such investments.
15. Expenditure on Research and Development (R&D) activities during the year:

	₹ in Crores (10 Million)	
	2010-2011	2009-2010
i) Revenue Expenditure*:		
a) Employee Cost	4.15	2.58
b) Cost of Materials and Testing Charges	10.86	6.48
c) Other R & D Expenses	5.41	7.33
Sub total (i)	20.42	16.39
ii) Capital Expenditure	3.52	-
Total (i+ii)	23.94	16.39

* Included in respective revenue accounts.

16. Amount paid to Auditors :	₹ in Crores (10 Million)	
	2010-2011	2009-2010
i) Statutory Auditors		
a) Audit Fee	0.16	0.12
b) Taxation	0.01	0.01
c) Certificates / other services	0.03	0.02
d) Reimbursement of expenses	0.02	0.01
ii) Cost Auditors		
a) Audit Fee	0.01	0.01
b) Reimbursement of expenses ₹ 40756 (Previous year: ₹ 9155)		

17. Computation of Net Profit for the purpose of calculating Managerial Remuneration:

Profit as per Profit and Loss Account	91.67	245.68
Add: Directors' Fee	0.08	0.09
Commission to Non- Executive Directors	1.02	1.97
Remuneration to Managing Directors / Whole Time Directors	10.15	22.07
Provision for diminution in value of long term investments (₹ 41746)		-
VRS Expenses	0.64	7.00
Provision for doubtful debts / advances	0.50	0.50
Loss on sale of assets (Previous year: ₹ 43888)	0.04	
Wealth Tax	0.10	0.09
	<u>104.20</u>	<u>277.40</u>
Less: Bad Debts written off out of provision for doubtful debts / advances	0.56	0.60
Provision for doubtful debts / advances written back	0.07	-
Provision for diminution in value of investment written back	-	0.49
Net Profit for the purpose of Managerial Remuneration under Section 349	<u>103.57</u>	<u>276.31</u>

Commission payable to Non-Executive Directors as per approval of the Board of Directors is ₹ 1.02 crs. (Previous year: ₹ 1.97 crs.)

Remuneration to Vice Chairman & Managing Director, Managing Director, Dy. Managing Director, Whole time Director and w.e.f. 20th January, 2010 to President & Director:

	₹ in Crores (10 Million)	
	2010-2011	2009-2010
- Salaries	3.59	3.39
- Commission	3.75	17.01
- Contribution to Provident and other Funds *	0.97	0.91
- Value of Perquisites (as per Income Tax Rules)	1.84	0.76
	<u>10.15</u>	<u>22.07</u>

* Excluding provision for gratuity & leave encashment, where the actuarial valuation is done on overall company basis.

18. Investor Education and Protection Fund includes ₹ 0.50 cr. for unclaimed dividend (Previous year: ₹ 0.40 cr.), ₹ 1.64 crs. for unclaimed fixed deposits (Previous year: ₹ 1.63 crs.), and Nil for unclaimed amount on debentures (Previous year: ₹ 0.01 cr.), which shall be deposited on respective due dates.

19. Pursuant to the Accounting Standard on 'Accounting for Taxes on Income' (AS-22), deferred tax liability / (asset) are as under:

	₹ in Crores (10 Million)	
	2010-2011	2009-2010
1. Deferred Tax Liability		
Related to Fixed Assets	156.25	149.57
2. Deferred Tax Asset		
i) Disallowance under Income Tax Act, 1961	10.34	9.46
ii) Provision for doubtful debts	1.05	10.47
3. Deferred Tax Liability / (Asset) - Net	<u>144.86</u>	<u>139.10</u>



20. The disclosures required under Accounting Standard (AS-15) "Employee Benefits" notified in the Companies (Accounting Standards) Rules, 2006 are as given below:

(a) Defined - Benefit Plan:

₹ in Crores (10 Million)

(i)	Particulars	Leave Encashment (Non Funded)		Gratuity (Funded)	
		2010-11	2009-10	2010-11	2009-10
I Expenses recognised in the Statement of Profit & Loss Account *					
	1 Current Service Cost	3.00	2.49	6.75	4.70
	2 Past Service Cost	-	-	-	1.95
	3 Interest Cost	0.66	0.60	4.56	3.37
	4 Expected return on plan assets	-	-	(4.94)	(3.65)
	5 Actuarial (Gains) / Losses	0.51	0.46	2.34	4.44
	6 Total expense	4.17	3.55	8.71	10.81
II Net Asset / (Liability) recognised in the Balance Sheet as at year end					
	1 Present Value of Defined Benefit Obligation	9.35	8.36	64.20	55.21
	2 Fair value of plan assets	-	-	66.65	51.15
	3 Funded status [Surplus / (Deficit)]	(9.35)	(8.36)	2.45	(4.06)
	4 Net asset / (liability)	(9.35)	(8.36)	2.45	(4.06)
III Change in obligation during the year					
	1 Present Value of Defined Benefit Obligation at the beginning of the year	8.36	7.94	55.21	42.70
	2 Current Service Cost	3.00	2.49	6.75	4.70
	3 Past Service Cost	-	-	-	1.95
	4 Interest Cost	0.66	0.60	4.56	3.37
	5 Actuarial (Gains) / Losses	0.51	0.46	1.59	5.75
	6 Benefits Payments	(3.18)	(3.13)	(3.91)	(3.26)
	7 Present Value of Defined Benefit Obligation as at year end	9.35	8.36	64.20	55.21
IV Change in Assets during the year					
	1 Fair value of plan assets at the beginning of the year	-	-	51.15	34.48
	2 Expected return on plan assets	-	-	4.94	3.65
	3 Contributions by employers	3.18	3.13	15.22	14.97
	4 Actual benefits paid	(3.18)	(3.13)	(3.91)	(3.26)
	5 Actuarial gains / (losses)	-	-	(0.75)	1.31
	6 Fair value of plan assets as at year end	-	-	66.65	51.15
	7 Total Actual Return on plan assets	-	-	4.19	4.96
V The major categories of plan assets as % of total plan					
	Insurer Managed Funds	-	-	100%	100%
VI Actuarial Assumptions:					
	1 Discount Rate	8.25%	8.25%	8.25%	8.25%
	2 Expected rate of return on plan assets	-	-	8.00%	8.00%
	3 Mortality	LIC (1994-96) Ultimate			
	4 Salary Escalation	5%			

* Included Under the head Staff Cost - Refer Schedule -11

- (ii) 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.
- (iii) 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.
- (iv) Contributions to PF (trust) during the 12 months ended 31st March, 2011 of ₹ 0.89 cr. (Previous year: ₹ 0.88 cr.) has been included under the head Staff Cost. (Refer Schedule 11)
Pending the issuance of the Guidance Note from the Institute of Actuaries of India, the Company's actuary has expressed his inability to reliably measure the provident fund liability.
- (b) Defined - Contribution Plans:
Employer's Contributions to Provident and other Funds charged off during the 12 months ended 31st March, 2011 of ₹ 18.98 crs. (Previous year: ₹ 16.46 crs.) has been included under the head Staff Cost. (Refer Schedule 11).

21. Earnings Per Share:	₹ in Crores (10 Million)	
	2010-2011	2009-2010
a) Profit after tax	61.32	163.47
Less: Tax Provision for earlier Years	-	0.29
Net Profit	<u>61.32</u>	<u>163.18</u>
b) Weighted average number of equity shares	41059346	41059346
c) Basic and Diluted Earnings per equity share (₹) (Face Value ₹ 10 each)		
- Cash	38.52	67.36
- After Tax	14.93	39.74

22. Related Parties:

a) Subsidiaries:

J. K. International Ltd.
 J. K. Asia Pacific Ltd.
 J. K. Asia Pacific (S) Pte. Ltd. (Subs. of J. K. Asia Pacific Ltd.)
 Lankros Holdings Ltd.
 Sarvi Holdings Switzerland AG. (Subs. of Lankros Holdings Ltd.)
 JK Tornel, S.A. De C.V. - (erstwhile Sunrise Hold Co., S.A. De C.V.)
 (JKTSA - Subs. of Sarvi Holdings Switzerland AG.)
 Empresas Tornel, S.A. De C.V. (ETSA - Subs. of JKTSA - merged into JKTSA w.e.f. 01.11.2010)
 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.*

* Subsidiary of JKTSA w.e.f. 01.11.2010 (earlier of ETSA)

b) Associates:

Hari Shankar Singhania Elastomer and Tyre Research Institute (HASETRI)
 Valiant Pacific LLC. (VPL)

c) Key Management Personnel (KMP):

Dr. Raghupati Singhania	Vice Chairman & Managing Director
Shri Bharat Hari Singhania	Managing Director
Shri Vikrampati Singhania	Dy. Managing Director
Shri Swaroop Chand Sethi	Whole Time Director
Shri Arun Kumar Bajoria	President & Director

d) Enterprise over which KMP is able to exercise Significant Influence:

JK Lakshmi Cement Ltd. (JKLC)
 Fenner India Ltd. (FIL) (w.e.f. 01.06.2010)



The following transactions were carried out with related parties in the ordinary course of business:

₹ in Crores (10 Million)

Nature of Transactions	Subsidiaries	Associates	Enterprise over which KMP is able to exercise Significant Influence	TOTAL
Sale of Tyres to HASETRI, VPL - 258.70 & JKLC		258.71	1.29	260.00
Sale of Tyres to VPL & JKLC		(224.44)	(0.64)	(225.08)
Sale of Raw Material & Stores to CHT & HASETRI	0.02	0.03		0.05
Sale of Stores to HASETRI		(0.04)		(0.04)
Purchase of Tyres from CHT	0.01			0.01
Purchase of Tyres from CHT	(0.53)			(0.53)
Purchase of cement from JKLC & Spares from FIL			0.12	0.12
Purchase of cement from JKLC			(0.12)	(0.12)
Purchase of Capital Items from CHT	0.53			0.53
Sale of Capital Items to CHT	0.56			0.56
Sale of Capital Items to CHT & HASETRI	(0.44)	(0.09)		(0.53)
Sharing of Expenses received - CHT, HASETRI, JKLC - 0.48 & FIL - 0.56	0.24	1.24	1.04	2.52
Sharing of Expenses received - CHT, HASETRI & JKLC	(0.57)	(1.03)	(0.37)	(1.97)
Sharing of Expenses paid - HASETRI - 5.98, VPL, JKLC - 2.76 & FIL		6.06	3.22	9.28
Sharing of Expenses paid - HASETRI, VPL & JKLC		(4.48)	(0.20)	(4.68)
Loans / Advances given - CHT, HASETRI - 7.21, VPL, JKLC - 2.15 & FIL	0.03	7.28	2.43	9.74
Loans / Advances given to CHT, HASETRI, VPL & JKLC	(0.31)	(6.73)	(0.08)	(7.12)
Loans / Advances recovered - CHT - 4.12, JKLSA - 0.92, HASETRI - 2.70, VPL & JKLC	5.04	3.03	0.60	8.67
Loans / Advances recovered - CHT, SARVI & HASETRI	(0.56)	(3.99)		(4.55)
Loans / Advances received - HASETRI, VPL, JKLC - 2.92 & FIL		0.21	2.95	3.16
Loans / Advances received - HASETRI, VPL & JKLC		(0.11)	(15.30)	(15.41)
Loans / Advances repaid - HASETRI, VPL, JKLC - 4.91 & FIL		0.15	5.14	5.29
Loans / Advances repaid - VPL & JKLC		(0.03)	(15.00)	(15.03)
Interest Income - CHT - 0.26, ETSA - 0.11 & JKLSA - 0.75	1.12			1.12
Interest Income - CHT - 0.55, ETSA - 0.32, SUNRISE - 1.41 & SARVI - 0.01	(2.29)			(2.29)
Interest Expense - JKLC			(0.06)	(0.06)
Royalty income from VPL		3.74		3.74
Royalty income from VPL		(4.20)		(4.20)
Contribution to HASETRI		2.75		2.75
Contribution to HASETRI		(4.25)		(4.25)
Outstanding as at year end:				
Receivable:				
CHT - 0.25 & JKLSA - 9.53	9.78			9.78
CHT - 3.80, ETSA - 2.01 & SUNRISE - 7.58	(13.39)			(13.39)
VPL - 86.30, JKLC - 2.13 & FIL - 0.09		86.30	2.22	88.52
VPL - 42.61, HASETRI - 0.07 & JKLC - 0.17		(42.68)	(0.17)	(42.85)

Details of remuneration paid to Key Management Personnel (KMP) is given in note no. 17.

Note: Figures in brackets represent previous year amount, wherever applicable.

23. Loans and Advances pursuant to Clause 32 of the Listing Agreement:

₹ in Crores (10 Million)

Outstanding as at 31st March, 2011	Maximum Amount Outstanding during 2010-2011	Outstanding as at 31st March, 2010	Maximum Amount Outstanding during 2009-2010
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Loans and Advances (in the nature of Loans):

(Repayable on demand)

Subsidiaries:

JK Tornel, S.A. De C.V. (Erstwhile Sunrise Hold Co., S.A. De C.V.)	9.53	10.24	7.58	7.58
Empresas Tornel, S.A. De C.V. (merged into JKLSA w.e.f. 01.11.2010)	-	2.12	2.01	2.01
Compañía Hulera Tornel, S.A. De C.V.	0.25	3.94	3.80	3.80
Sarvi Holdings Switzerland AG.	-	-	-	0.04

Note - Loans / Advances to employees as per Company's policy are not considered.

24. Particulars of Capacity (Per Annum), Production, Purchases, Sales and Stocks:

	UNITS	INSTALLED CAPACITY PER ANNUM	OPENING STOCK 01.04.2010		PRODUC-TION	PURCHASES		SALES		CLOSING STOCK 31.03.2011	
		QTY.	QTY.	₹ in Crores (10 Million)	QTY.	QTY.	₹ in Crores (10 Million)	QTY.	₹ in Crores (10 Million)	QTY.	₹ in Crores (10 Million)
AUTOMOBILE TYRES	Lac Nos.	98.61 (91.47)	3.68 (7.05)	136.47 (205.55)	85.98 (79.31)	0.10 (0.05)	1.07 (0.86)	84.32 (82.73)	4780.48 (3589.78)	5.44 (3.68)	285.43 (136.47)
AUTOMOBILE TUBES	Lac Nos.	13.82 (13.82)	5.60 (5.77)	20.89 (27.00)	54.62 (54.40)	- (2.60)	- (18.42)	54.69 (57.17)	365.88 (297.70)	5.53 (5.60)	28.15 (20.89)
AUTOMOBILE FLAPS	Lac Nos.	-	2.55 (2.50)	5.36 (4.63)	24.47 (22.56)	12.49 (8.93)	35.52 (17.50)	36.22 (31.44)	88.44 (64.32)	3.29 (2.55)	8.37 (5.36)
OTHERS		-	-	2.36 (-)	-	-	-	-	26.16 (4.88)	-	4.07 (2.36)

- Installed Capacity - Certified by the Management.
- Production includes conversion of Finished Goods by outside parties.
- Includes Trial Run Production and Sales.
- Figures in brackets represent previous year.

25. Particulars of Raw Materials and Stores and Spares Consumed:

	2010-2011		2009-2010	
	Quantity (MT)	Amount	Quantity (MT)	Amount
i) Raw Materials				
Rubber	135122	2389.65	114649	1260.20
Fabric	28189	520.46	24201	386.00
Chemicals	42244	330.06	35888	262.93
Carbon Black	63537	328.23	54765	256.03
Others		99.88		93.43
		3668.28 #		2258.59 #
	% of Total		% of Total	
Imported	28.85	1058.14	34.22	772.88
Indigenous	71.15	2610.14	65.78	1485.71
ii) Stores and Spares				
Imported	5.29	2.24	5.21	1.86
Indigenous	94.71	40.14 #	94.79	33.86 #

Includes Raw Material and Stores consumed during Trial Runs.

	2010-2011		2009-2010	
	Quantity (MT)	Amount	Quantity (MT)	Amount
26. a) Expenditure in Foreign Currency (as remitted):				
Royalty		6.04		7.65
Professional charges		0.95		1.12
Others		8.36		3.17
b) Remittances in foreign Currency on account of:				
Dividend for the year 2009-2010 (Previous year 2007-09)				
(i) Number of Non-resident shareholders		1		1
(ii) Number of equity shares held by them		3487500		3487500
(iii) Amount of dividend remitted		1.22		0.94
c) Earnings in Foreign Currency on account of:				
F.O.B. value of exports		418.04		357.23
Royalty		3.74		4.20
Interest Income		1.12		2.29
Others		2.47		-
d) C.I.F. Value of Imports:				
Raw Materials		889.05		752.51
Capital Goods		80.75		51.28
Spares		3.98		3.91

27. Figures less than ₹ 50000 have been shown at actual in bracket.

28. Figures for the previous year have been regrouped / rearranged / recast, wherever necessary.

As per our report of even date

For LODHA & CO.
Chartered Accountants

N.K. LODHA
Partner

P.K. RUSTAGI
Secretary

H.S. SINGHANIA
Dr. RAGHUPATI SINGHANIA
BHARAT HARI SINGHANIA
ARVIND SINGH MEWAR
ASHOK U. KATRA
BAKUL JAIN
OM PRAKASH KHAITAN
ARUN KUMAR BAJORIA
S.C. SETHI
VIKRAMPATI SINGHANIA

Chairman
Vice Chairman & Managing Director
Managing Director
Directors

New Delhi, the 24th May, 2011



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration no.	19430
State Code	21
Balance Sheet Date	31.03.2011

II. CAPITAL RAISED DURING THE YEAR (Amount in ₹ Thousands)

Public Issue	Nil
Rights Issue	Nil
Private Placement	Nil
Bonus Issue	Nil

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in ₹ Thousands)

Total Liabilities	35242480
Total Assets	35242480
SOURCES OF FUNDS	
Paid-up Capital	410593
Reserves & Surplus	6736680
Secured Loans	7586741
Unsecured Loans	5593559
Deferred Tax Liability	1448588
APPLICATION OF FUNDS	
Net Fixed Assets	17041897
Investments	935618
Net Current Assets	3798646
Misc. Expenditure	Nil
Accumulated Losses	Nil

IV. PERFORMANCE OF THE COMPANY (Amount in ₹ Thousands)

Turnover including Other Income	52684303
Total Expenditure	51767584
Profit Before Tax	916719
Profit after Tax	613160
Basic / Diluted Earnings per Share (₹)	
- Cash	38.52
- After Tax	14.93
Dividend Rate (%)	30

V. GENERIC NAME OF PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY

(As per Monetary terms)	4011,13,12
Item Code No.	Tyres, Tubes & Flaps

P.K. RUSTAGI
Secretary

H.S. SINGHANIA
Dr. RAGHUPATI SINGHANIA
BHARAT HARI SINGHANIA
ARVIND SINGH MEWAR
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VIKRAMPATI SINGHANIA

Chairman
Vice Chairman & Managing Director
Managing Director

Directors

New Delhi, the 24th May, 2011

CASH FLOW STATEMENT

For the year ended 31st March, 2011

	₹ in Crores (10 Million)	
	2010-2011	2009-2010
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax and extraordinary items	91.67	245.68
Adjustment for:		
Depreciation	114.54	109.42
Transfer from capital reserve	(23.44)	(23.47)
Interest Expenses	98.07	92.56
(Profit) / Loss on sale of assets (2009-2010: ₹ 43888)	0.04	
Deferred revenue expenditure written off	-	5.21
Provision for diminution of Investments (₹ 41746)	-	-
Earlier Year Provision no longer required	(0.19)	-
Foreign Exchange Fluctuation	(2.84)	3.18
Reversal of provision for diminution of Investments	-	(0.49)
Interest / Dividend received	(3.98)	(4.19)
Provision for Doubtful Debts / Advances and Balances written off	0.50	1.25
Operating Profit before working capital changes	<u>274.37</u>	<u>429.15</u>
(Increase) / Decrease in Trade and Other Receivables	(264.84)	(15.09)
(Increase) / Decrease in Inventories	(228.90)	(45.25)
Increase / (Decrease) in Trade Payables	<u>222.11</u>	<u>222.97</u>
Cash generated from Operations	2.74	591.78
Direct taxes (Net)	(24.00)	(47.56)
Net Cash from / (used in) Operating activities	<u>(21.26)</u>	<u>544.22</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(290.18)	(173.26)
Sale of Fixed Assets	2.38	2.03
Movement in Loan	3.61	(2.25)
Purchase of Investments	(3.32)	-
Interest received	3.68	4.17
Dividend received	0.01	0.01
Net Cash used in Investing activities	<u>(283.82)</u>	<u>(169.30)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	644.08	306.00
Repayment of borrowings	(186.23)	(552.49)
Interest Paid	(114.10)	(94.15)
Dividend paid (including dividend tax)	(16.66)	(13.00)
Net cash from / (used in) Financing activities	<u>327.09</u>	<u>(353.64)</u>
Net increase in cash and cash equivalents	22.01	21.28
Cash and Cash equivalents as at the beginning of the year	63.27	41.99
Cash and Cash equivalents as at the end of the year	<u>85.28</u>	<u>63.27</u>
Notes:		
Cash and Cash Equivalents Include:		
- Cash, Cheques in hand and Remittances in transit	78.49	51.15
- Balances with Scheduled Banks	6.79	12.12
- Unrealised Translation gain on Foreign Currency balances	-	-
Total	<u>85.28</u>	<u>63.27</u>

As per our report of even date

For LODHA & CO.
Chartered Accountants

N.K. LODHA
Partner

P.K. RUSTAGI
Secretary

New Delhi, the 24th May, 2011

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Dr. RAGHUPATI SINGHANIA
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S.C. SETHI
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Chairman
Vice Chairman & Managing Director
Managing Director

Directors



AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF JK TYRE & INDUSTRIES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JK TYRE & INDUSTRIES LIMITED, ITS SUBSIDIARIES AND ITS INTERESTS IN ASSOCIATES

We have examined the attached Consolidated Balance Sheet of JK Tyre & Industries Limited, its subsidiaries and its interests in associates as at 31st March, 2011 and the Consolidated Profit and Loss Account and also the Consolidated Cash Flow Statement for the year then ended.

These financial statements are the responsibility of JK Tyre & Industries Limited's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of any of the subsidiaries. The financial statements of three subsidiaries reflect total assets of ₹ 2.37 crs. (Including ₹ 0.01 cr. for J. K. International Limited) as at 31st March, 2011 and those of all other subsidiaries reflect total assets of ₹ 1273.97 crs. as at 31st December, 2010 and total revenues of ₹ 1765.61 crs. for the year ended on 31st December, 2010. The financial statements of subsidiary, namely, J. K. International Limited, which was furnished to us by the management, was unaudited. Further the financial statements of all other subsidiaries have been audited by other auditors, whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of the said subsidiaries, is based solely on the reports of the other auditors.

The financial statements of associate, namely, Hari Shankar Singhania Elastomer & Tyre Research Institute have been audited by us, whose financial statements reflect total assets of ₹ 18.89 crs. as at 31st March, 2011 and total revenue of ₹ 6.57 crs. for the year then ended.

We did not audit the financial statements of associate, namely, Valiant Pacific LLC., whose audited financial statements reflect total assets of ₹ 153.87 crs. as at 31st December, 2010 and total revenue of ₹ 523.21 crs. for the year then ended. The said financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the interest in said associate, is based solely on the report of other auditors.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21 "Consolidated Financial Statements" and (AS) 23 "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of JK Tyre & Industries Limited, its subsidiaries and its interests in associates included in the consolidated financial statements.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the Company and its Subsidiaries and its interests in Associates included in the Consolidated Financial Statements, we are of the opinion that the said consolidated financial statements read together with notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Company, its Subsidiaries and its interests in Associates as at 31st March, 2011;
- b) In the case of the Consolidated Profit & Loss Account, of the consolidated results of operations of the Company, its Subsidiaries and its interests in Associates for the year then ended; and
- c) In the case of Consolidated Cash Flow Statement, of the consolidated cash flows of the Company, its Subsidiaries and its interests in Associates for the year then ended.

For LODHA & CO.
Chartered Accountants

N.K. LODHA
Partner

Firm Registration No. - 301051E
Membership No.: 85155

New Delhi, the 24th May, 2011

CONSOLIDATED BALANCE SHEET

AS AT 31st MARCH 2011

₹ in Crores (10 Million)

	Schedule	31.03.2011	31.03.2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
CAPITAL	1	41.06	41.06
RESERVES AND SURPLUS	2	817.28	808.90
		858.34	849.96
LOANS			
SECURED LOANS	3	1043.97	713.45
UNSECURED LOANS		569.82	445.45
		1613.79	1158.90
DEFERRED TAX		144.86	139.10
		2616.99	2147.96
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	4	3377.45	3132.50
LESS: DEPRECIATION		1521.97	1368.55
NET BLOCK		1855.48	1763.95
CAPITAL WORK IN PROGRESS		295.76	188.19
		2151.24	1952.14
INVESTMENTS			
CURRENT ASSETS, LOANS AND ADVANCES	5	87.13	80.45
LESS: CURRENT LIABILITIES AND PROVISIONS	6	2066.31	1520.38
NET CURRENT ASSETS	7	1687.69	1405.01
		378.62	115.37
		2616.99	2147.96
NOTES ON ACCOUNTS			
	14		

Schedules 1 to 7 and 14 attached to the Balance Sheet are an integral part thereof.

As per our report of even date

For LODHA & CO.
Chartered Accountants

N.K. LODHA
Partner

P.K. RUSTAGI
Secretary

New Delhi, the 24th May, 2011

H.S. SINGHANIA
Dr. RAGHUPATI SINGHANIA
BHARAT HARI SINGHANIA
ARVIND SINGH MEWAR
ASHOK U. KATRA
BAKUL JAIN
OM PRAKASH KHAITAN
ARUN KUMAR BAJORIA
S.C. SETHI
VIKRAMPATI SINGHANIA

Chairman
Vice Chairman & Managing Director
Managing Director
Directors



CONSOLIDATED PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2011

₹ in Crores (10 Million)

	Schedule	2010-2011	2009-2010
INCOME			
SALES		6382.09	4849.17
LESS: EXCISE DUTY		<u>436.65</u>	<u>278.59</u>
OTHER INCOME	8	38.59	14.89
INCREASE / (DECREASE) IN FINISHED GOODS	9	<u>147.59</u>	<u>(60.69)</u>
		6131.62	4524.78
EXPENDITURE			
MATERIALS AND MANUFACTURING	10	4812.17	3124.91
EMPLOYEES	11	474.27	432.05
FREIGHT AND TRANSPORTATION		141.02	119.38
OTHER EXPENSES	12	<u>381.25</u>	<u>331.59</u>
		5808.71	4007.93
OPERATING PROFIT (BEFORE INTEREST & DEPRECIATION)			
INTEREST	13	322.91	516.85
UNREALISED EXCHANGE FLUCTUATION ON FOREIGN CURRENCY BORROWINGS OF SUBSIDIARIES		109.36	115.73
		<u>(7.66)</u>	<u>(11.52)</u>
PROFIT BEFORE DEPRECIATION			
		221.21	412.64
DEPRECIATION		151.83	142.30
TRANSFER FROM CAPITAL RESERVE		42.58	42.70
PROFIT BEFORE TAX			
		111.96	313.04
PROVISION FOR CURRENT TAX		43.65	66.20
DEFERRED TAX		5.76	27.10
PROFIT AFTER TAX			
		62.55	219.74
TAX PROVISION FOR EARLIER YEARS		-	0.29
SHARE IN PROFITS OF ASSOCIATES		3.36	4.07
DEBENTURE REDEMPTION RESERVE NO LONGER REQUIRED		3.85	5.63
SURPLUS / (DEFICIT) FROM PREVIOUS YEAR		<u>25.87</u>	<u>(85.51)</u>
		95.63	143.64
APPROPRIATIONS			
DEBENTURE REDEMPTION RESERVE		0.38	1.01
GENERAL RESERVE		80.00	100.00
PROPOSED DIVIDEND		12.32	14.37
CORPORATE DIVIDEND TAX		2.00	2.39
SURPLUS CARRIED TO BALANCE SHEET		<u>0.93</u>	<u>25.87</u>
		95.63	143.64
BASIC / DILUTED EARNINGS PER SHARE (₹) - CASH		44.06	85.30
- AFTER TAX		16.05	54.44
NOTES ON ACCOUNTS	14		

Schedules 8 to 14 attached to the Profit & Loss Account are an integral part thereof.

As per our report of even date

For LODHA & CO.
Chartered Accountants

N.K. LODHA
Partner

P.K. RUSTAGI
Secretary

New Delhi, the 24th May, 2011

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S.C. SETHI
VIKRAMPATI SINGHANIA

Chairman
Vice Chairman & Managing Director
Managing Director

Directors

Schedule 1	₹ in Crores (10 Million)	
	31.03.2011	31.03.2010
SHARE CAPITAL		
Authorised:		
Equity Shares - 12,50,00,000 of ₹ 10 each	125.00	125.00
14% Cumulative Redeemable Preference Shares - 7,00,000 of ₹ 100 each	7.00	7.00
Preference Shares - 48,00,000 of ₹ 100 each	48.00	48.00
	<u>180.00</u>	<u>180.00</u>
Issued, Subscribed and Paid up:		
Equity Shares - 4,10,59,346 of ₹ 10 each fully paid up (Previous year: 4,10,59,346 equity shares of ₹ 10 each)	41.06	41.06
	<u>41.06</u>	<u>41.06</u>

Includes 33,750 Bonus shares by way of capitalisation of reserves and 86,51,639 shares issued to the shareholders of erstwhile Vikrant Tyres Ltd. pursuant to the Scheme of Arrangement and Amalgamation without payment being received in cash.

Schedule 2	31.03.2010	₹ in Crores (10 Million)		
		Additions	Transfers	31.03.2011
RESERVES AND SURPLUS				
Capital Reserve	308.87	4.79 (a)	42.70 (b)	270.96(c)
Capital Redemption Reserve	7.00	-	-	7.00
Debenture Redemption Reserve	4.18	0.38	3.85	0.71
Securities Premium	220.23	-	2.14 (d)	218.09
General Reserve	235.34	80.00	-	315.34
Surplus in Profit and Loss Account	25.87	-	24.94	0.93
Foreign Currency Translation Reserve	7.41	-	3.16	4.25
	<u>808.90</u>	<u>85.17</u>	<u>76.79</u>	<u>817.28</u>

(a) Gain on reinstatement of net Capital Reserve on consolidation as at Balance Sheet date.

(b) ₹ 42.58 crs. towards depreciation arising out of revaluation transferred to Profit & Loss Account and ₹ 0.12 cr. adjusted for Fixed Assets sold / transferred.

(c) Includes ₹ 187.18 crs. on consolidation.

(d) Provision for premium on redemption of Zero Coupon Non-Convertible Debentures.



₹ in Crores (10 Million)
31.03.2011 31.03.2010

Schedule 3

LOANS

SECURED LOANS

Zero Coupon Non-Convertible Debentures	2.82	14.70
Term Loans:		
Financial Institutions	-	4.11
Banks	366.07	477.36
Others	73.74	81.12
Other Loans from Banks	567.23	89.15
Deferred Sales Tax	34.11	47.01
	1043.97	713.45

UNSECURED LOANS

Fixed Deposits	62.74	74.43
Deferred Sales Tax	104.63	83.46
Short Term Loans - Banks	402.45	268.96
- Others	-	18.60
	569.82	445.45

Schedule 4

FIXED ASSETS

₹ in Crores (10 Million)

Assets	Gross Value					Depreciation					Net Value	
	As at 31.03.2010	Additions	Sales/ Adjustments	Translation Adjustment@	As at 31.03.2011	Upto 31.03.2010	for the Year	Sales/ Adjustments	Translation Adjustment@	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
Land - Freehold	144.90	-	-	(2.73)	147.63	-	-	-	-	-	147.63	144.90
- Leasehold	10.68	-	0.01	-	10.67	0.88	0.11	-	-	0.99	9.68	9.80
Buildings*	399.90	39.70	-	(2.89)	442.49	80.34	13.77	-	(0.53)	94.64	347.85	319.56
Plant & Machinery	2508.30	179.92	0.87	(6.56)	2693.91	1256.33	131.45	0.67	(2.98)	1390.09	1303.82	1251.97
Office Equipments, Furniture & Fixtures	37.55	2.96	0.36	(0.24)	40.39	20.40	2.06	0.13	(0.17)	22.50	17.89	17.15
Vehicles	19.39	14.12	2.98	(0.05)	30.58	6.63	2.09	1.34	(0.05)	7.43	23.15	12.76
Intangible Assets#	11.78	-	-	-	11.78	3.97	2.35	-	-	6.32	5.46	7.81
	3132.50	236.70	4.22	(12.47)	3377.45	1368.55	151.83	2.14	(3.73)	1521.97	1855.48	1763.95
Previous year 2009-10	2840.45	297.34	3.48	1.81	3132.50	1228.44	142.30	1.63	0.56	1368.55	1763.95	-

* Buildings include ₹ 2.05 crs. constructed on Leased Land, 274 shares held in co-operative housing societies and property worth ₹ 0.46 cr. yet to be registered in Company's name.

Being amortised over a period of 5 years.

@ Represents translation adjustments arising on consolidation of foreign subsidiaries.

Schedule 5

₹ in Crores (10 Million)
31.03.2011 31.03.2010

INVESTMENTS

LONG TERM INVESTMENTS

(Other than trade)

Investment in Shares:

Equity	1.55	1.55
Preference	14.61	14.61
Investment in associates*	21.61	18.25
Bonds	49.11	45.79
Mutual Funds	0.25	0.25
Government Securities (₹ 25000; As at 31.03.2010: ₹ 10000)	87.13	80.45

* Share of profits has been recognised in carrying amount of investment in associates.

₹ in Crores (10 Million)
31.03.2011 31.03.2010

Schedule 6

CURRENT ASSETS, LOANS AND ADVANCES

A. CURRENT ASSETS

Raw Materials	352.55	268.71
Stores and Spares	29.11	28.67
Finished Goods	377.24	216.91
Stock-in-Process	58.67	41.45
Debtors (unsecured, considered good):		
Debts over six months	56.45	54.49
Other Debts	772.29	573.25
Interest Accrued on Investments	0.44	0.15
Cash and Bank Balances:		
Cash on hand	0.25	0.24
Remittances in transit and Cheques on hand	78.43	51.04
Balances with Banks:		
On Current Accounts	13.37	26.60
On Deposit Accounts	22.59	13.11
(Pledged with Bank - ₹ 0.17 cr.; As at 31.03.2010: ₹ 2.70 crs.)		
On Savings Bank Account (for Employees Security Deposit)	-	
(As at 31.03.2010: ₹ 5078)		
	<u>1761.39</u>	<u>1274.62</u>

B. LOANS AND ADVANCES (considered good)

Secured Loan	0.62	0.62
Unsecured:		
Loans	6.30	6.30
Subsidiary Companies	-	0.54
Advances recoverable in cash or in kind or for value to be received	171.07	134.35
Deposit with Government Authorities and Others	19.66	11.82
Fringe Benefit Advance Tax Payments	-	7.03
MAT Credit Entitlement	8.74	8.74
Income Tax Advance Payments	98.53	76.36
	<u>304.92</u>	<u>245.76</u>
	<u>2066.31</u>	<u>1520.38</u>

Schedule 7

CURRENT LIABILITIES AND PROVISIONS

A. CURRENT LIABILITIES

Acceptances	203.19	14.76
Sundry Creditors	890.31	862.62
Investor Education and Protection Fund	2.14	2.04
Other Liabilities	422.69	353.67
Interest accrued but not due on loans	4.30	5.36
	<u>1522.63</u>	<u>1238.45</u>

B. PROVISIONS

Provision for Retirement Benefits	54.36	60.79
Provision for Taxation	96.38	82.43
Provision for Fringe Benefit Tax	-	6.58
Proposed Dividend	12.32	14.37
Provision for Corporate Dividend Tax	2.00	2.39
	<u>165.06</u>	<u>166.56</u>
	<u>1687.69</u>	<u>1405.01</u>



₹ in Crores (10 Million)
2010-2011 2009-2010

Schedule 8

OTHER INCOME

Income From Long Term Investments (other than trade):

Dividends	0.01	0.01
Interest	0.55	0.29
Reversal of provision for Diminution in value of Long Term Investments	-	0.49
Provision of earlier years no longer required	4.87	-
Miscellaneous Income	33.16	14.10
	<u>38.59</u>	<u>14.89</u>

Schedule 9

INCREASE / (DECREASE) IN FINISHED GOODS

Opening Stock	216.91	277.03
Closing Stock	377.24	216.91
	160.33	(60.12)
Differential Excise Duty on Increase / Decrease of Finished Goods	(12.74)	(0.57)
	<u>147.59</u>	<u>(60.69)</u>

Schedule 10

MATERIALS AND MANUFACTURING

Raw Materials Consumed	4385.70	2722.99
(Increase) / Decrease in Stock-in-Process	(16.87)	(8.60)
Conversion Charges	67.42	42.28
Purchase of Finished Goods	48.17	76.69
Consumption of Stores and Spares	59.83	51.35
Power and Fuel	238.44	213.81
Repairs to Buildings	8.10	8.62
Repairs to Machinery	21.38	17.77
	<u>4812.17</u>	<u>3124.91</u>

Schedule 11

EMPLOYEES

Salaries, Wages, Bonus and Gratuity	334.39	308.85
Contribution to Provident and other Funds	50.33	45.55
Employees' Welfare and other Benefits	89.55	77.65
	<u>474.27</u>	<u>432.05</u>

Schedule 12	₹ in Crores (10 Million)	
	2010-2011	2009-2010
OTHER EXPENSES		
Rent	8.75	7.32
Other Taxes	12.97	9.18
Insurance	4.38	3.66
Discount	160.58	140.10
Royalty	7.11	9.17
Advertisement and Sales Promotion	42.65	39.12
Directors' Fee	0.08	0.09
Commission	26.54	17.63
Loss / (Profit) on Sale of Assets (Net)	0.13	0.10
Deferred Revenue Expenditure Written off	-	5.21
Provision for Diminution in value of Long Term Investments (₹ 41746)		-
Bad Debts Written off	-	0.75
Provision for Doubtful Debts / Advances	7.03	0.50
Bank charges, Printing & Stationery, Postage, Telephone, Travelling and other Miscellaneous Expenses	111.03	98.76
	<u>381.25</u>	<u>331.59</u>

Schedule 13

INTEREST

Interest on:

Debentures, Term Loans and Fixed Deposits	43.85	61.23
Others	72.04	58.15
	<u>115.89</u>	<u>119.38</u>
Less: Received on Short Term Loans and Others	6.53	3.65
	<u>109.36</u>	<u>115.73</u>



Schedule 14

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

1. Principles of Consolidation:

a) The Consolidated Financial Statements comprise of the financial statements of JK Tyre & Industries Limited (Parent Company) and the following as on 31.03.2011:

i) Subsidiaries:

Name	Proportion of ownership interest	Financial Statements as on
J. K. International Ltd., U.K.	100%	31.03.2011
J. K. Asia Pacific Ltd., Hong Kong	100%	31.03.2011
J. K. Asia Pacific (S) Pte Ltd., Singapore	100%	31.03.2011
Lankros Holdings Ltd., Cyprus	100%	31.12.2010
Sarvi Holdings Switzerland AG., Switzerland	100%	31.12.2010
JK Tornel, S.A. De C.V., Mexico (erstwhile Sunrise Hold Co., S.A. De C.V.)	99.96%	31.12.2010
Empresas Tornel, S.A. De C.V., Mexico		*
Comercializadora América Universal, S.A. De C.V., Mexico	99.96%	31.12.2010
Compañía Hulera Tacuba, S.A. De C.V., Mexico	99.96%	31.12.2010
Compañía Hulera Tornel, S.A. De C.V., Mexico	99.96%	31.12.2010
Compañía Inmobiliaria Norida, S.A. De C.V., Mexico	99.96%	31.12.2010
General de Inmuebles Industriales, S.A. De C.V., Mexico	99.96%	31.12.2010
Gintor Administración, S.A. De C.V., Mexico	99.96%	31.12.2010
Hules y Procesos Tornel, S.A. De C.V., Mexico	99.96%	31.12.2010

* Merged into JK Tornel, S.A. De C.V. w.e.f. 01.11.2010.

Impact of minority interest is insignificant and immaterial, hence not considered.

ii) Associates:

Name	Status	Ownership Interest	Financial Statements as on
Hari Shankar Singhania Elastomer and Tyre Research Institute, India	Audited	24%	31.03.2011
Valiant Pacific LLC., UAE	Audited	49%	31.12.2010

There are no significant transactions or other material events that have occurred between the balance sheet date of above companies and the parent company.

- b) 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 and Intra-group transactions.
 - c) In case of associates, where 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 Accounting Standard (AS) 23 – “Accounting for Investments in Associates in Consolidated Financial Statements”.
 - d) 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 profit and loss account in respect of the change attributable to the associates’ profit and loss account and through its reserves for the balance.
 - e) 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.
 - f) 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.
 - g) Foreign Subsidiaries – Revenue items have been consolidated at the average rate of foreign exchange prevailing during the year. The assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at closing rate. Exchange differences arising on monetary and non-monetary items that in substance forms part of the Company’s net investment in non-integral foreign operation are accumulated in the Foreign Currency Translation Reserve.
 - h) Significant Accounting Policies and Notes on Accounts of the financial statements of the Company and its subsidiaries are set out in their respective Financial Statements.
 - i) The accounts of J. K. International Ltd. are exempt from Audit.
2. The shareholders of Empresas Tornel, S.A. De C.V. (ETSA) and JK Tornel, S.A. De C.V. (JKTSA) have approved the merger of ETSA into JKTSA in their Extraordinary Shareholders Meeting held on 10th September, 2010. The duly executed minutes of the Extraordinary Shareholders’ Meetings of above said companies and the Merger Agreement entered into between them were notarized and duly certified on 29th September, 2010 making the merger effective from 1st November, 2010. As a result, all the shares representing the capital stock of ETSA have been cancelled against the Investment in Subsidiaries in the books of JKTSA. Also, the assets and liabilities of ETSA have become the assets and liabilities of JKTSA.



3. Estimated amount of contracts remaining to be executed on capital account ₹ 415.59 crs. (Previous year: ₹ 165.13 crs.).
4. Contingent liabilities in respect of claims not accepted and not provided for ₹ 45.81 crs. (Previous year: ₹ 38.52 crs.), pertaining to Excise Duty matters in appeal ₹ 4.45 crs., Service Tax matters ₹ 1.49 crs., Sales Tax matters in appeal ₹ 3.40 crs., Income Tax matters in appeal ₹ 6.76 crs. & Other matters ₹ 29.71 crs. (Previous year: ₹ 4.39 crs., ₹ 1.30 crs., ₹ 2.36 crs., ₹ 6.76 crs. & ₹ 23.71 crs. respectively).
5. Bills discounted with banks outstanding ₹ 13.86 crs. (Previous year: ₹ 15.40 crs.).
6. Excise Duty liability on account of valuation of finished goods is disputed and is yet to be determined. Without prejudice to the Company's stand in this behalf, as per Government's desire, an adhoc amount of ₹ 5.45 crs. was paid under protest in earlier years and debited to 'Advances Recoverable' and an equivalent amount was provided in profit and loss account. On Writ Petition filed by the Company in the Hon'ble Delhi High Court, the said Court directed the Excise Authorities to determine the valuation of finished goods in accordance with law and observations made in the order.
7. The Company has given guarantee to a bank in respect of loan outstanding as at 31.03.2011 of Nil (Previous year: ₹ 0.45 cr.) in respect of a body corporate against counter indemnity.

JKTSA has given guarantee to a bank against counter indemnity from a body corporate in respect of non-fund based facilities outstanding ₹ 40.28 crs. at year end.

8. a) Factory & Service buildings and Plant and Machinery of parent company's Plant at Jaykaygram, were revalued as at 1st January, 1985 & 1st April, 1991. On 1st April, 1997 the revaluation of such assets was updated alongwith similar assets of Banmore plant. The revaluation of said assets of Jaykaygram and Banmore was further updated alongwith Factory Land and Township building as at 1st April, 2002 based on replacement cost by a Valuer. Further, Fixed Assets of certain foreign subsidiaries at Mexico were revalued as at 12th June, 2008 on the basis of report of a certified Valuer. The Gross Block includes cumulative surplus of ₹ 1038.80 crs. as at 31.03.2011 (Previous year: ₹ 1031.83 crs.) arising on revaluation.
b) Out of Capital Reserve arising on consolidation of foreign subsidiaries, a sum of ₹ 19.14 crs. (Previous year: ₹ 19.23 crs.) included in note (b) of Schedule 2 - 'Reserves & Surplus' has been set off towards additional depreciation on revaluation of fixed assets of certain foreign subsidiaries at Mexico.
9. a) Debts over six months and Advances are net of Provisions made for Doubtful Debts ₹ 18.41 crs. and Advances Nil (Previous year: ₹ 11.43 crs. and ₹ 0.32 cr. respectively).
b) Debts over six months / Advances include ₹ 24.27 crs. (Previous year: ₹ 3.66 crs.), for which legal and other necessary action has been taken. In the opinion of the Management, these debts are recoverable and the same have been classified as good.
10. In respect of certain disallowances and additions made by Income Tax Authorities, appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally determined.

11. The Company has worked out reversal of Modvat Credit availed on exports under Value Based Advance Licence in earlier years and reversed the same in the accounts. Pursuant to special scheme announced by the Government, the Company has also paid interest on such reversals. Further, the Excise department has issued certain basis for reversal of Modvat, which is disputed and has been contested by the Company in a Writ Petition before the Hon'ble Delhi High Court and directions have been issued to treat the reversal already made by the Company as provisional.
12. Auditors of a subsidiary company J. K. Asia Pacific Limited have invited attention towards recoverability in respect of amount due ₹ 0.66 cr. equivalent HK\$ 1124838 (Previous year: ₹ 0.65 cr. equivalent HK\$ 1124838) from an associate company.
13. Pursuant to the Accounting Standard on 'Accounting for Taxes on Income' (AS-22), deferred tax liability / (asset) are as under:

	₹ in Crores (10 Million)			
	2010-2011		2009-2010	
1. Deferred Tax Liability				
Related to Fixed Assets	156.25			149.57
2. Deferred Tax Asset				
i) Disallowance under Income Tax Act, 1961	10.34			9.46
ii) Provision for doubtful debts	1.05	11.39	1.01	10.47
3. Deferred Tax Liability / (Asset) - Net		144.86		139.10

Certain foreign subsidiaries have not recognised deferred tax asset (net) based upon prudence.

	₹ in Crores (10 Million)	
	2010-2011	2009-2010
14. Earnings Per Share:		
a) Profit after Tax	62.55	219.74
Less: Tax Provision for earlier years	-	0.29
Add: Share in Profits of Associates	3.36	4.07
Net Profit	65.91	223.52
b) Weighted average no. of equity share (Nos.)	41059346	41059346
c) Basic and Diluted Earnings per equity share (₹) (Face Value ₹ 10 each)		
- Cash	44.06	85.30
- After Tax	16.05	54.44



15. Related Parties:

a) Associates:

Hari Shankar Singhania Elastomer and Tyre Research Institute (HASETRI)
Valiant Pacific LLC. (VPL)

b) Key Management Personnel (KMP):

Dr. Raghupati Singhania	Vice Chairman & Managing Director
Shri Bharat Hari Singhania	Managing Director
Shri Vikrampati Singhania	Dy. Managing Director
Shri Swaroop Chand Sethi	Whole Time Director
Shri Arun Kumar Bajoria	President & Director

c) Enterprise over which KMP is able to exercise significant influence:

JK Lakshmi Cement Ltd. (JKLC)
Fenner India Ltd. (FIL) (w.e.f. 01.06.2010)

The following transactions were carried out with related parties in the ordinary course of business:

₹ in Crores (10 Million)

Nature of Transactions	Associates	Enterprise over which KMP is able to exercise Significant Influence	TOTAL
Sale of Tyres to HASETRI, VPL - 258.87 & JKLC	258.88	1.29	260.17
Sale of Tyres to VPL & JKLC	(227.58)	(0.64)	(228.22)
Sale of Raw Material & Stores to HASETRI	0.03		0.03
Sale of Stores to HASETRI	(0.04)		(0.04)
Purchase of Raw Material from VPL	132.22		132.22
Purchase of Raw Material from VPL	(36.67)		(36.67)
Purchase of cement from JKLC & Spares from FIL		0.12	0.12
Purchase of cement from JKLC		(0.12)	(0.12)
Sale of Capital Items to HASETRI	(0.09)		(0.09)
Sharing of Expenses received - HASETRI, JKLC - 0.48 & FIL - 0.56	1.24	1.04	2.28
Sharing of Expenses received - HASETRI & JKLC	(1.03)	(0.37)	(1.40)
Sharing of Expenses paid - HASETRI - 5.98, VPL, JKLC - 2.76 & FIL	6.06	3.22	9.28
Sharing of Expenses paid - HASETRI, VPL & JKLC	(4.48)	(0.20)	(4.68)
Loans / Advances given - HASETRI- 7.21, VPL, JKLC - 2.15 & FIL	7.28	2.43	9.71
Loans / Advances given to HASETRI, VPL & JKLC	(6.73)	(0.08)	(6.81)
Loans / Advances recovered - HASETRI - 2.70, VPL & JKLC	3.03	0.60	3.63
Loans / Advances recovered - HASETRI	(3.99)		(3.99)
Loans / Advances received - HASETRI, VPL, JKLC - 2.92 & FIL	0.21	2.95	3.16
Loans / Advances received - HASETRI, VPL & JKLC	(0.11)	(15.30)	(15.41)
Loans / Advances repaid - HASETRI, VPL, JKLC - 4.91 & FIL	0.15	5.14	5.29
Loans / Advances repaid - VPL & JKLC	(0.03)	(15.00)	(15.03)
Interest Expense - JKLC		(0.06)	(0.06)
Guarantee Given - VPL	113.65		113.65
Royalty income from VPL	3.74		3.74
Royalty income from VPL	(4.20)		(4.20)
Contribution to HASETRI	2.75		2.75
Contribution to HASETRI	(4.25)		(4.25)
Outstanding as at year end:			
Receivable (₹ crs.)			
VPL - 47.68, JKLC - 2.13 & FIL - 0.09	47.68	2.22	49.90
VPL - 28.37, HASETRI - 0.07 & JKLC - 0.17	(28.44)	(0.17)	(28.61)

Remuneration paid to Key Management Personnel (KMP) for the year ₹ 10.15 crs. (Previous year: ₹ 22.07 crs.).

Note: Figures in brackets represent previous year amount, wherever applicable.

16. Segment Information for the year ended 31st March, 2011

Information about Primary Geographical Segments:

₹ in Crores (10 Million)

Particulars	India		Mexico		Others		Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
1. REVENUE								
External Sales	4810.92	3677.70	1134.53	893.41	-	-	5945.45	4571.11
Inter segment Sales	-	-	(0.01)	(0.53)	-	-	(0.01)	(0.53)
Total Sales	4810.92	3677.70	1134.52	892.88	-	-	5945.44	4570.58
Other Income	20.86	14.72	17.73	0.16	-	0.01	38.59	14.89
Total Revenue	4831.78	3692.42	1152.25	893.04	-	0.01	5984.03	4585.47
2. RESULTS								
Segment result (PBIT)	186.32	334.34	27.83	83.10	(0.49)	(0.19)	213.66	417.25
Interest Expenses	(94.65)	(88.66)	(14.71)	(27.06)	-	(0.01)	(109.36)	(115.73)
Unrealized Exchange Fluctuation on Foreign Currency Borrowings of Subsidiaries	-	-	7.66	11.52	-	-	7.66	11.52
Profit / (Loss) before Tax	91.67	245.68	20.78	67.56	(0.49)	(0.20)	111.96	313.04
Income Taxes	(30.35)	(82.21)	(19.06)	(11.09)	-	-	(49.41)	(93.30)
Profit / (Loss) after Tax	61.32	163.47	1.72	56.47	(0.49)	(0.20)	62.55	219.74
Share of Profit in Associates	-	-	-	-	3.36	4.07	3.36	4.07
Net Profit	61.32	163.47	1.72	56.47	2.87	3.87	65.91	223.81
3. OTHER INFORMATION								
Segment assets	3486.43	2746.81	795.14	786.03	23.11	20.13	4304.68	3552.97
Segment liabilities	2809.53	2094.28	636.71	608.64	0.10	0.09	3446.34	2703.01
Capital Expenditure	336.48	187.17	7.79	7.82	-	-	344.27	194.99
Depreciation	91.10	85.95	18.15	13.65	-	-	109.25	99.60
Non Cash Expenses other than Depreciation	-	5.21	-	-	-	-	-	5.21

Notes:

- The Company has identified geographic segments as its primary segment and business segments as its secondary segment.
- Geographic segments of the Company are India, Mexico and Others as its risk and returns are affected predominantly by the fact that it operates in different countries or other geographical areas.
- Business segments comprise of only one segment namely Tyre, Tubes & Flaps. Therefore, reporting as required under Accounting Standard (AS-17) - "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

17. Figures less than ₹ 50000 have been shown at actuals in bracket.

18. Figures pertaining to subsidiary companies have been reclassified wherever necessary to bring them in line with the parent company's Financial Statement.

19. Figures for the previous year have been regrouped / rearranged / recast, wherever necessary.

As per our report of even date

For LODHA & CO.
Chartered Accountants

N.K. LODHA
Partner

P.K. RUSTAGI
Secretary

New Delhi, the 24th May, 2011

H.S. SINGHANIA
Chairman
Dr. RAGHUPATI SINGHANIA
Vice Chairman & Managing Director
BHARAT HARI SINGHANIA
Managing Director
ARVIND SINGH MEWAR
ASHOK U. KATRA
BAKUL JAIN
OM PRAKASH KHAITAN
ARUN KUMAR BAJORIA
S.C. SETHI
VIKRAMPATI SINGHANIA
Directors



CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2011

₹ in Crores (10 Million)
2010-2011 2009-2010

A. CASH FLOW FROM OPERATING ACTIVITIES:

Net profit / (loss) before tax and extraordinary items	111.96	313.04
Adjustment for:		
Depreciation	151.83	142.30
Transferred from capital reserve	(42.58)	(42.70)
Interest Expenses	115.89	119.38
(Profit) / loss on sale of assets (Net)	0.13	0.10
Deferred revenue expenditure written off	-	5.21
Foreign Exchange Fluctuation	(10.50)	(8.34)
Foreign Currency Translation gain / (loss) on Consolidation	(1.32)	0.30
Diminution in value of Investments (₹ 41746)		(0.49)
Interest / Dividend received	(7.09)	(3.95)
Provision for Doubtful Debts / Advances & Balances written off	7.03	1.25
Earlier Year Provisions no longer required	(4.87)	-
Operating Profit before working capital changes	<u>320.48</u>	<u>526.10</u>
(Increase) / Decrease in Trade and Other Receivables	(249.06)	(36.15)
(Increase) / Decrease in Inventories	(259.48)	(72.34)
Increase / (Decrease) in Trade Payables	247.39	210.20
Cash generated from Operations	59.33	627.81
Direct taxes (net)	(51.82)	(62.85)
Net Cash from Operating activities	<u>7.51</u>	<u>564.96</u>

B. CASH FLOW FROM INVESTING ACTIVITIES:

Purchase of Fixed Assets	(297.39)	(181.27)
Sale of Fixed Assets	1.83	1.75
Movement in Loan	-	0.26
Purchase of Investments	(3.32)	-
Interest received	6.79	3.93
Dividend received	0.01	0.01
Net Cash used in Investing activities	<u>(292.08)</u>	<u>(175.32)</u>

C. CASH FLOW FROM FINANCING ACTIVITIES:

Proceeds from borrowings	728.97	341.77
Repayment of borrowings	(272.48)	(557.63)
Interest Paid	(132.24)	(121.04)
Dividend paid (including dividend tax)	(16.66)	(13.00)
Net cash from / (used in) Financing activities	<u>307.59</u>	<u>(349.90)</u>
Net increase in cash and cash equivalents	23.02	39.74
Cash and Cash equivalents as at the beginning of the year	90.99	51.34
Foreign Currency Translation gain / (loss) on Cash and Cash equivalents	0.63	(0.09)
Cash and Cash equivalents as at the end of the year	<u>114.64</u>	<u>90.99</u>

Notes:

Cash and Cash Equivalents Include:

- Cash, Cheques on hand and Remittances in transit	78.68	51.28
- Balances with Banks	35.33	39.80
- Unrealised Translation gain / (loss) on Foreign Currency balances	0.63	(0.09)
Total	<u>114.64</u>	<u>90.99</u>

As per our report of even date

For LODHA & CO.
Chartered Accountants

N.K. LODHA
Partner

P.K. RUSTAGI
Secretary

New Delhi, the 24th May, 2011

H.S. SINGHANIA
Dr. RAGHUPATI SINGHANIA
BHARAT HARI SINGHANIA
ARVIND SINGH MEWAR
ASHOK U. KATRA
BAKUL JAIN
OM PRAKASH KHAITAN
ARUN KUMAR BAJORIA
S.C. SETHI
VIKRAMPATI SINGHANIA

Chairman
Vice Chairman & Managing Director
Managing Director

Directors

FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

₹ in Crores (10 Million)

Sl. No.	Name of the Subsidiary Company	Share Capital	Reserves & Surplus/ (Accumulated Losses)	Total Assets	Total Liabilities	Details of Investments (other than investment in Subsidiary Companies)	Turnover including other income	Profit / (Loss) before taxation	Income Tax expense	Profit / (Loss) after taxation	Proposed Dividend
1.	J. K. International Ltd.	0.95	(0.94)	0.01	0.01	-	-	-	-	-	-
2.	J. K. Asia Pacific Ltd.	0.71	0.63	1.36	1.36	-	-	(0.01)	-	(0.01)	-
3.	J. K. Asia Pacific (S) Pte. Ltd. (Subs. of J. K. Asia Pacific Ltd.)	0.34	0.62	1.00	1.00	0.21	-	(0.11)	-	(0.11)	-
4.	Lankros Holdings Ltd.	26.31	0.35	26.84	26.84	-	-	(0.16)	-	(0.16)	-
5.	Sarvi Holdings Switzerland AG. (Subs. of Lankros Holdings Ltd.)	27.24	(1.34)	25.94	25.94	-	-	(0.21)	-	(0.21)	-
6.	JK Tornel, S.A. De C.V. (JKTSA - erstwhile Sunrise Hold Co., S.A. De C.V.) (Subs. of Sarvi Holdings Switzerland AG.)	25.75	(151.71)	295.56	295.56	-	86.09	3.34	0.87	2.47	-
7.	Empresas Tornel, S.A. De C.V. (ETSA) (merged with JKTSA w.e.f. 01.11.2010) (Subs. of Sunrise Hold Co., S.A. De C.V.)						522.11	(10.56)	0.68	(11.24)	-
8.	Comercializadora América Universal, S.A. De C.V. (Subs. of JKTSA)	0.02	3.06	3.20	3.20	-	-	0.04	-	0.04	-
9.	Compañía Hulera Tacuba, S.A. De C.V. (Subs. of JKTSA)	0.41	64.26	121.48	121.48	-	5.88	2.39	-	2.39	-
10.	Compañía Hulera Tornel, S.A. De C.V. (Subs. of JKTSA)	6.17	33.52	566.39	566.39	-	1118.33	18.48	16.97	1.51	-
11.	Compañía Inmobiliaria Norida, S.A. De C.V. (Subs. of JKTSA)	1.48	139.25	148.77	148.77	-	6.53	3.09	-	3.09	-
12.	General de Inmuebles Industriales, S.A. De C.V. (Subs. of JKTSA)	0.05	29.67	31.96	31.96	-	3.48	2.48	0.21	2.27	-
13.	Gintor Administración, S.A. De C.V. (Subs. of JKTSA)	0.01	1.66	44.55	44.55	-	21.44	0.41	0.31	0.10	-
14.	Hules y Procesos Tornel, S.A. De C.V. (Subs. of JKTSA) (* ₹2056)	*	8.16	9.28	9.28	-	1.75	0.72	0.02	0.70	-

Converted at exchange rates as applicable.

The Company has complied with the conditions as stipulated by Ministry of Corporate Affairs, Govt. of India, New Delhi vide its General Circular No. 2/2011 dated 8th February, 2011, whereby direction u/s 212(8) of the Companies Act, 1956 was issued granting general exemption from attaching the Accounts of subsidiaries of the Company. However, annual accounts of the subsidiary companies and the related detailed information will be made available to the investors of the Company and its subsidiaries seeking such information at any point of time. The annual accounts of the subsidiary companies are available for inspection by any investor at the Head Office of the Company and the concerned subsidiary.

JK TYRE

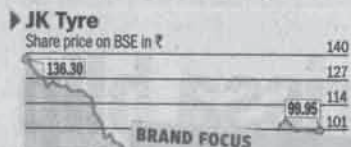
IN THE NEWS

JK Tyre expansion

JK Tyre Industries Ltd said that the expansion drive of its manufacturing facilities at Mysore and new project near Chennai will be ready during the year.

>>Page 2

JK Tyre forays into power, to set up 1,360 mw plant



JK Tyre & Industries Ltd said it will first set up a team to look for acquisitions abroad around Toynell, a Mexico-based tyre company.

JK Tyre and Industries Ltd has set up a team to look for acquisitions abroad around Toynell, a Mexico-based tyre company.

JK TYRE TO SET UP Rs 1,500 CR FACILITY

We had a choice of three states - Tamil Nadu, Karnataka and Mysore.

JK Tyres plans 'soles with souls'

BS REPORTER New Delhi, 19 April

Souls will open up a new front in environmental consciousness

JK Tyres & Industries is ready to launch a new set of innovative marketing activities even as the company has increased its marketing budget by 50 per cent in the fiscal year.

nature. Singhania shared, "We are participating in regional festivals of every part of our country where we have our trucking business, be it Diwali in the North or Pongal in the South. We also hold partnerships, particularly with LCV owners and a tremendous marketing spends

JK Tyre forms team for overseas buys

JK Tyre is focusing on low-cost countries in South-East Asia and isn't interested in the North American market "as we have already made our presence there," Singhania said.

चौथा जेके टायर बाह्य साइंडिया 2011 शुरू

जेके टायर ने ऑटोमोटिव और ऑटोमोटिव (साइंडिया), नेशनल ऑटोमोटिव ट्रेडिंग एंड आर एंड डेवेलपमेंट प्रोजेक्ट (नेटिप) तथा ऑटोमोटिव रिसर्च एसोसिएशन (आर आइएस) (एआरआई) मिलकर चौथे जेके टायर बाह्य साइंडिया 2011 का पोस्टर, इंडो में उद्घाटन किया। आयोजन का शुभारंभ भारत के सबसे युवा फिल्मला 1 इंडियन तथा जेके टायर संसाधन, सेना, प्रबंध निदेशक डॉ. ई.के.एस. ने किया। दिन तक चलने वाला यह आरंभ 28 जनवरी, 2011 से शुरू और इसमें देशभर के इंडो कालिगों को 198 से अधिक हिस्सा लेगा। यह इस न चौथा संस्करण है जिसको 2007 में हुई थी। जेके टायर इंडो और अब 56 को संख्या बढ़कर 56 इस साल की प्रतिस्पर्धी 79 टोमी की भागीदार के 1700 छात्रों को अपने आप में प्रभावित करने के लिए आगे बढ़े हैं।

इस साल की प्रतिस्पर्धी 'गो गीन' की संकल्पना पर आधारित, बिरला इस्टीमेट ऑफ टेक्नोलॉजी, पिलानी जीवा बिस्ट डिजाइन डीकल' घोषित, मालवीय नेशनल इस्टीमेट ऑफ टेक्नोलॉजी, जयपुर, बिरला इस्टीमेट ऑफ टेक्नोलॉजी, पिलानी और इंडोमैटिव

JK Tyres grosses sales of 3 million TBR

JK Tyre & Industries Limited has reported that sales of its truck and bus radials has zoomed to 3 million units, surpassing competitors by a huge margin. Part of the Rs 1,132.87 cr (\$2.5 billion) JK Organisation, the truck and bus radial leader will soon roll out radial tyres from its green field facility in Chennai, its second such plant in the country.



JK Tyre set a new record

JK Tyre & Industries said it has touched the sales mark of 10 lakh units of truck radial tyres in its first phase. The company's sales in the first phase of its launch in India in 1999. Over the years, the company consistently



JK Tyre will double radial tyre capacity

JK Tyre & Industries is doubling its radial tyre manufacturing capacity for both commercial vehicles and passenger cars by 2012 in order to meet the growing domestic demand. The company currently manufactures 8 lakh commercial vehicle radial tyres, which will be doubled to 16 lakh tyres. Out of the total production post expansion, 4 lakh commercial vehicle radial tyres will be manufactured at its Mysore plant, while remaining will be made at a new plant in Chennai. The company has similar plans for increasing the production of passenger car radial tyres. It currently produces 45 lakh radial tyres in the passenger car segment and plans to add 55 lakh units in the passenger car segment.

JK Tyre exploring rubber plantations buy

JK Tyre & Industries said on Tuesday that it is "seriously examining the possibility" of purchasing rubber plantations to protect itself against rising rubber prices. The company said it is exploring the possibility of purchasing rubber plantations to protect itself against rising rubber prices. The company said it is exploring the possibility of purchasing rubber plantations to protect itself against rising rubber prices.

JK Tyre Rally flagged off

March 3: The fourth JK Tyre Indo-Bhutan Car Rally was flagged off in Guwahati on Wednesday. Assamese film stars Pranjal Saikia and B. Phukan, Sanjay Sharma, head JK motorsports and clerk of the course J.P. Majumdar were present at the flag-off. The event, which has been organised by JK Tyres in collaboration with Friendship Car Rally Association, Ministry of Foreign Affairs and Royal Government of Bhutan, is one of the three

Indo-Bhutan car rally flagged off in Guwahati

The 4th JK Tyre Indo-Bhutan Car Rally was flagged off by popular local film stars Pranjal Saikia and Bijs Phukan in Guwahati on Thursday. The event, organised by JK Tyre in collaboration with the Friendship Car Rally Association and the ministry of foreign affairs of the Royal Government of Bhutan, is one of the three biggest motor sports event in eastern India. The theme for this year is Connecting People of India and Bhutan. The four-wheeler TSD (time, speed, distance) format will see 26 cars in action. The event will feature safety gear, and Adventure, for motorsports enthusiasts driving cars with standard safety features. There are eight entries in the X'Treme and 18 in the Adventure categories. parts of the upper and high end crisscrosses within the remote Bumthang area. This rally will be previous years, competitive legs.

JK Organisation team to scout for new markets

JK Tyre & Industries is ready to launch a new set of innovative marketing activities even as the company has increased its marketing budget by 50 per cent in the fiscal year.



BRAND COMMUNICATION



JK TYRE STORMS TO VICTORY YET AGAIN

JK Tyre has won the Maruti Suzuki Grand Premio Rally, seven out of eight times. Ready to storm your off-road adventures? Call us at 020-267 91 100. JK Tyre has, dominated the top 3 spots this year.

JKTYRE
TOTAL CONTROL

JK TYRE TRUCK RADIAL made for trucks



JK TRUCK/BUS RADIALS WHEELS TO THE NATION

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TRUCK RADIAL made for trucks



JK TRUCK/BUS RADIALS - WHEELS TO THE NATION

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NATURAL BEAUTY YOUR UNOFFICIAL PARTNER IN THE RALLY

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JK TRUCK/BUS RADIALS WHEELS TO THE NATION

JKTYRE
TOTAL CONTROL

**Tested by champions.
Built for you.**

JK TYRE
TOTAL CONTROL

**JK TYRE MAKES EVERY
DRIVE A DELIGHT.
MILLIONS OF HAPPY CUSTOMERS
ACROSS INDIA VOUCH FOR IT.**

JK TYRE
TOTAL CONTROL

IN TRUCK/BUS RADIALS - WHEELS TO THE NATION

JK TYRE
TRUCK RADIALS made for India

**TRUCK/BUS RADIALS
WHEELS TO THE NATION**

JK TYRE
TRUCK RADIALS made for India

NO CONDITIONS APPLY

JK TYRE WARRANTY SCHEME

JK Tyre offers a 3-year/50,000 km warranty on its truck and bus radial tires. The warranty is valid for all JK Tyre truck and bus radial tires. The warranty is subject to the terms and conditions of the JK Tyre Warranty Scheme. For more details, visit www.jktyre.com.

JK TYRE
TOTAL SYSTEMS

New JET XTRA
LONG DRIVE, LOW CONSUMPTION

JK TYRE

**RECOGNITION OF THE
INDIAN INDUSTRY
BENCHMARK FOR
THE TYRE INDUSTRY**

JK Tyre has been
India's largest
all-India tyre

JK TYRE
TOTAL SYSTEMS

