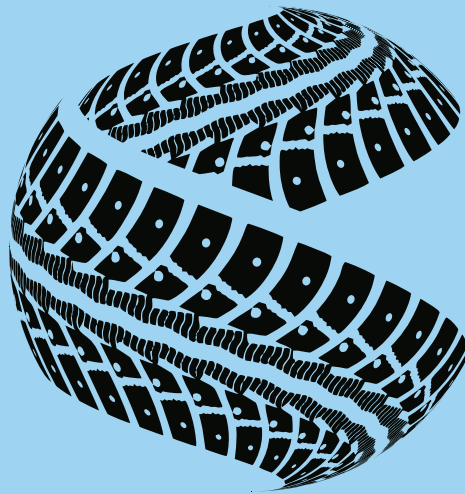


ANNUAL REPORT 2014-15



IT'S NOT JUST ABOUT THE TYRE

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The story at JK Tyre is not just about tyres. **It is about our passion.**

**Our** passion to delight customers to the point that they will buy no other brand.

**Our** passion to keep introducing new tyre varieties even before the market asks for it.

**Our** passion to raise benchmarks to levels that most would have considered impossible.

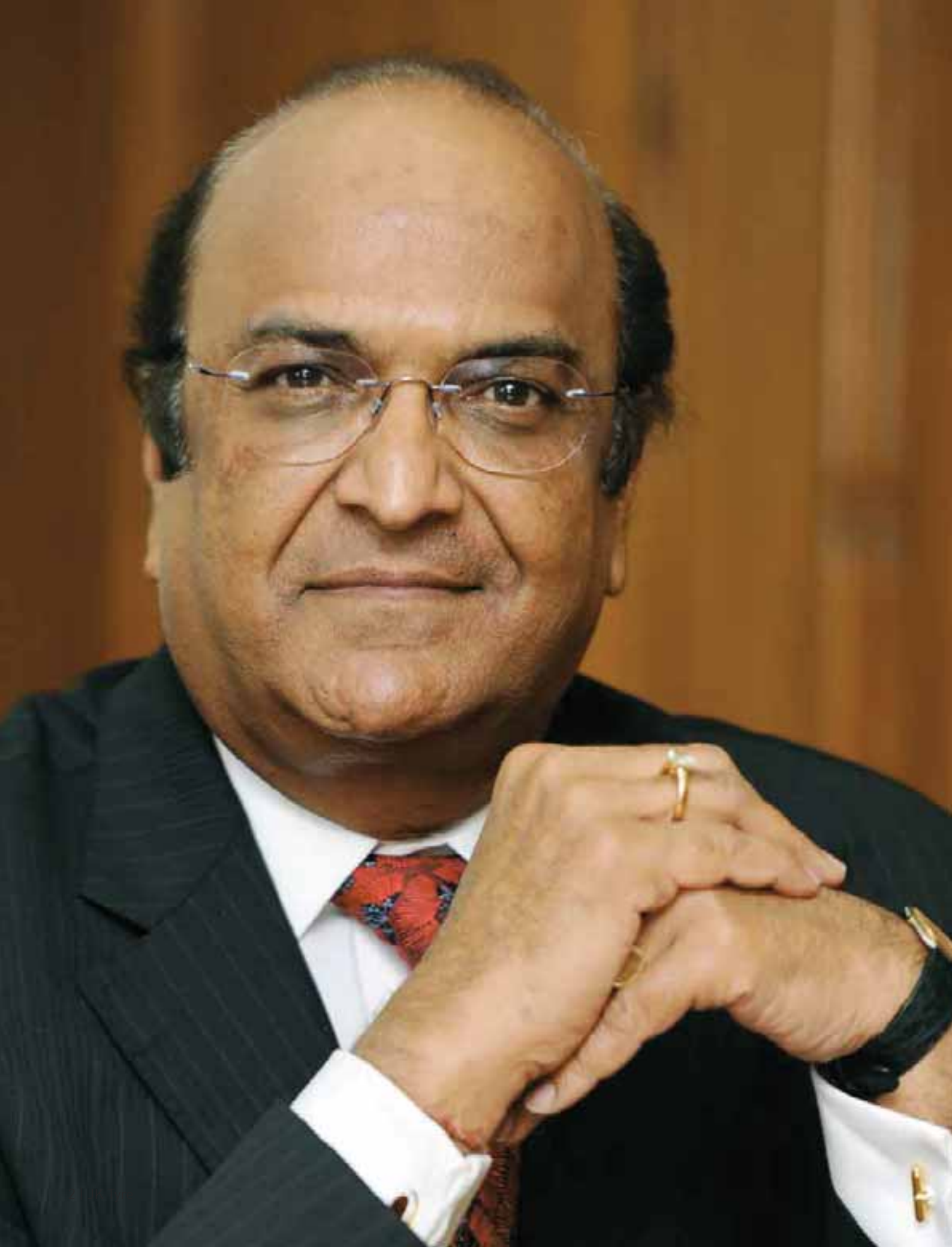
**Our** passion to evolve a conventional product into a modern solution well before considered necessary.

There is just one by-product of this passion.

**Outperformance.**

For instance, despite a challenging 2014-15, JK Tyre reported attractive profitability, with a higher percentage increase in profit after tax over revenues.

***Passion pays.***





MESSAGE FROM THE CHAIRMAN & MANAGING DIRECTOR

“THE HARDER  
THE EXTERNAL  
ENVIRONMENT  
TURNED,  
THE MORE  
PASSIONATE  
OUR RESPONSE  
BECAME.”

Chairman & Managing Director, Raghupati  
Singhania, explains how a passionate JK  
Tyre reported an outstanding performance  
during a challenging 2014-15

*Dear fellow Shareholders,*

I WOULD LIKE TO SHARE THE HIGHLIGHTS OF THE YEAR 2014-15.

JK TYRE'S CONSOLIDATED TURNOVER STOOD AT ₹8,060 CRORES AND PROFIT AFTER TAX STRENGTHENED 46% TO ₹330 CRORES IN THE FY2014-15.

FURTHERMORE, THE COMPANY'S MARKET CAPITALISATION INCREASED 226% DURING THE PERIOD UNDER REVIEW, ENRICHING OUR SHARE-OWNERS.

It is heartening that JK Tyre reported profitable growth despite a challenging environment.

The key message I wish to communicate is that the harder the external environment turned, the more passionate our response became.

#### **Challenges**

JK Tyre possessed the foresight to introduce radial tyres three decades ago in India in response to evolving marketplace realities. This introduction was followed by proactive investments in brand-building that helped grow a nascent radial market into a vibrant one, making radialisation a preferred trend in India.

At JK Tyre, we played the role of an evangelist with timely investments in modern radial capacities. The result: radial tyres constituted 52% of our revenues in 2014-15. Besides, we made a progressive cost reduction effort in the truck bias segment, strengthening our overall competitiveness.

#### **Passion at work**

At JK Tyre, we recognised that addressing industry challenges through sporadic responses, as and when they manifested, would prove inadequate; what we needed was a consistently passionate response.

This is not as easy as it sounds. How do you make a 38-year company younger virtually overnight?

At JK Tyre, we made passion our spearhead. We questioned every paradigm. We inducted younger managers. We invested in cutting-edge plants. We proactively enhanced capacity. We reassessed every process. We evolved our focus from customer satisfaction to delight. We incorporated best-in-class practices. We widened our product range. We maintained a constant dialogue with our dealers. We graduated from marketing products to providing solutions.

In other words, the reinvented JK Tyre.

Earlier, we focused on being competitive in regional pockets; at the reinvented JK Tyre, we aspired to emerge among the most competitive across various geographies.

Earlier, we ushered steady improvements in operating efficiencies; at the reinvented JK Tyre, we focus singularly on the substantial.

Earlier, we focused on one-off improvements linked to timely capital investments; at the reinvented JK Tyre, we focus on

continuous improvement leading to sustainable growth.

Earlier, we focused on delivering products in line with customer needs; at the reinvented JK Tyre, we strive to deliver world-class products that can be as successfully marketed in any developed country.

Earlier, we used to be topline-driven to the point that we believed that any increase in revenues would amortise our fixed costs more effectively and contribute to the bottomline; at the reinvented JK Tyre, our managers are aware of precisely the kind of realisations that need to be generated to enhance profitability.

### Strategic outlook

India's automobile sector appears poised for an attractive recovery. As one of India's premier tyre manufacturers, we are pursuing a multi-pronged strategic approach to address emerging challenges.

**Maintain leadership position in truck/bus radials segment:** JK Tyre possesses one of India's largest tyre capacities (1.87 million truck/bus radials per annum); the Company will continue to capitalise on this growing segment to enhance margins, maintain leadership, deepen market presence and ensure that products reach new customers.


### Provide differentiated service:

JK Tyre is increasingly focusing on service differentiators in a competitive environment. As a means to this end, we provide comprehensive 360-degree tyre solutions, carving a niche for ourselves.

### Innovation-led fuel-efficient

**products:** The need of the hour is to improve road safety, lower fuel costs and reduce environment impact. At JK Tyre, the competitive

## Passion at work



**“At JK Tyre, we played the role of an evangelist with timely investments in modern radial capacities. The result: radial tyres constituted 52% of our revenues in 2014-15.”**

Raghupati Singhania, Chairman & Managing Director



① Dr. Raghupati Singhania felicitated as Asia's Most Admired Leader ② Managing Director, D. Harley Davidson India receiving the Indian Motorcycle of the Year Award- 2015 from Dr. Raghupati Singhania ③ CEO & MD, Hyundai Motor India being presented the Indian Car of the Year Award- 2015 by Dr. Raghupati Singhania




manufacture of 'green' tyres addresses these issues in an affordable manner. Consequently, we have commenced assembling technologies and resources to break into this innovative, fuel-efficient segment with a first-mover's advantage.

### Conclusion

The Company has effectively addressed the needs of the entire stakeholder family – customers, employees, shareholders, bankers

and society – through a number of farsighted initiatives.

In view of the above, I am optimistic that JK Tyre will continue to report attractive and profitable growth across the foreseeable future.



**Raghupati Singhania**  
Chairman & Managing Director

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

**REGISTERED OFFICE**  
Jaykaygram,  
PO – Tyre Factory,  
Kankroli – 313 342  
(Rajasthan)

**AUDITORS**  
Lodha & Co.  
Chartered Accountants

**VICE PRESIDENT (LEGAL) &  
COMPANY SECRETARY**  
Pawan Kumar Rustagi  
CIN: L67120RJ1951PLC045966  
Website: [www.jktyre.com](http://www.jktyre.com)

## BOARD OF DIRECTORS



01

**DR. RAGHUPATI SINGHANIA**  
Chairman & Managing Director

02

**ARVIND SINGH MEWAR**  
Director

03

**BAKUL JAIN**  
Director

04

**OM PRAKASH KHAITAN**  
Director

05

**SUNANDA SINGHANIA**  
Director





06

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**DR. WOLFGANG HOLZBACH**  
Director

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07

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**KALPATARU TRIPATHY**  
Director

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08

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**BHARAT HARI SINGHANIA**  
Managing Director

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09

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**VIMAL BHANDARI**  
Director

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**VIKRAMPATI SINGHANIA**  
Dy. Managing Director

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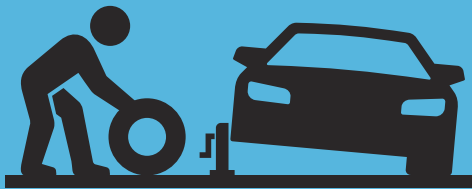


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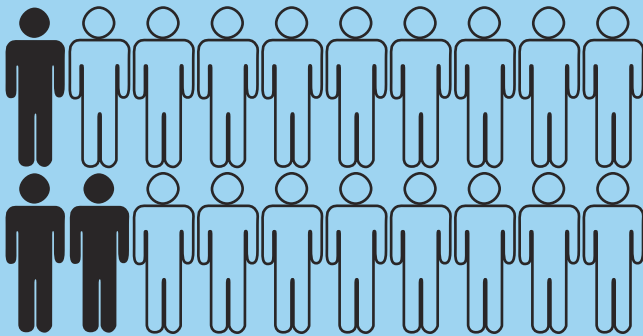
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**ARUN K. BAJORIA**  
Director & President –  
International Operations

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It is a brand-driven company whose recall is inspired by words like **'durable'**, **'dependable'** and **'customer-centric'**.



It is a future-focused organisation providing consumers today with the tyres of tomorrow.

It is a research-led company, creating tyres in line with the best global quality standards.

