



JKTIL:SECTL:SE:2022

Date: 29 AUG 2022

BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. Scrip Code :530007	National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block-G Bandra -Kurla Complex, Bandra(E), Mumbai -400 051. Scrip Code : JKTYRE
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Dear Sir,

Sub: Chairman's Speech at the 69th Annual General Meeting of the Company

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The Chairman's Speech delivered at the 69th Annual General Meeting of the Company and published in the newspapers on 29th August 2022 is enclosed for your information and records please.

Thanking you,

Yours faithfully,
for JK Tyre & Industries Ltd.

(PK Rustagi)

Vice President (Legal) & Company Secretary

Encl. As above



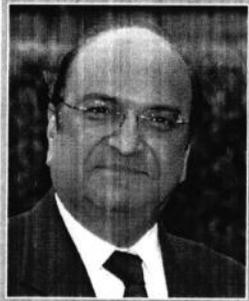
Admin. Off.: 3, Bahadur Shah Zafar Marg, New Delhi-110 002, Fax: 91-11-23322059, Phone: 91-11-66001112, 66001122

Regd. Off.: Jaykaygram, PO - Tyre Factory, Kankroli - 313 342 (Rajasthan), Fax : 02952-232018, Ph. : 02952-233400 / 233000

Website : www.jktyre.com CIN : L67120RJ1951PLC045966



VIKRANT



Dr. Raghupati Singhania
Chairman & Managing Director

Chairman's Statement at AGM

Driving smartly into the future



75 YEARS OF INDEPENDENCE

This meeting holds even greater significance as our nation celebrates its 75th year of Independence, as "Azaadi Ka Amrit Mahotsav". We are proud of our rich heritage. Our JK group founder, Late Lala Kamlapat ji was a nationalist and a strong proponent of swadeshi, who used Indian capital, Indian labour, and Indian managerial talent, to create a successful business and played a pioneering role in building the industrial edifice of free India, by setting up various industries in the country. He envisioned an "Atmanirbhar Bharat", even in those early days.

We at JK Tyre have been following the vision of our founder and have established multi location businesses. It is a matter of pride for all of us that your Company has been very much a part of country's journey of economic progress, for nearly 5 decades as, "Desh Ka Tyre - wheels that keep the nation on the move.

The first ever integrated Annual Report of Your Company is already with you which is a part of Environmental Social Governance endeavors, built around our 5 P platform i.e. People, Planet, Process, Product and Prosperity.

ECONOMIC ENVIRONMENT

Ladies & Gentlemen, we meet today as the World traverses a very challenging journey stemming from the recurring waves of the COVID-19 pandemic further aggravated, by recent geopolitical disturbances. Consequential intermittent restrictions on mobility, supply chain disruptions, rising shipping costs, soaring commodity prices and energy security, weighed heavily on the economic revival.

The Indian economy displayed resilience and staged a sustained and gradual recovery, with economic output estimated to have grown at 8.7% during FY 2021-22, surpassing pre-pandemic levels. This was also facilitated by the nationwide push on vaccination and thrust on infrastructure, especially roads and highways, which augurs well for the economy, especially, the automotive and

tyre industry. Progressive and visionary projects like "Gati Shakti" and "Digital India" and well thought out policy interventions like PLI, will provide momentum to our country's development.

DRIVING INTO THE FUTURE

At JK Tyre, we took proactive measures during the two waves of the pandemic to provide the safest possible environment for our people, in accordance with our values of "Caring for People". This time, apart from following strict pandemic protocols, the "Mission 100% Vaccination" was aggressively implemented, to ensure that our people, our business partners and their families were fully vaccinated. Dedicated task teams were set up, to provide round-the-clock medical emergency support and guidance, through collaborations with senior health specialists from "Pushpawati Singhania Hospital and Research Institute" (PSRI). We extensively engaged with our stakeholders through the virtual and physical modes, to ensure their physical and mental well-being. The comprehensive "JK Cares" program was conceived, and implemented which benefitted the families and provided support for an extended period.

Your Company adopted an agile business strategy which was periodically calibrated to address fluctuating market conditions. Dynamic planning and quick responses, driven by a customer-centric approach enabled navigation through an uncertain business environment. An outcome of well thought out strategic business initiatives which included enhanced channel reach, Fleet Management 2.0, greater emphasis on granular planning and forecasting. These resulted in seamless delivery of JK Tyre products and services, innovative premium product launches across categories and aggressive brand building.

The thrust was on digitalization and innovation which yielded multiple benefits in operational efficiency as well as enhancing customer connect. Our digital claims management process has set new benchmarks in the industry. Through "JK Connect" we have created a virtual office for our channel partners. The impact was visible across all market segments.

Disruption in supply chains and high oil prices led to a sharp increase in the input prices for the tyre industry which could only be partially offset by higher price realization, which impacted margins for the tyre industry as a whole, with JK Tyre being no exception.

Your company has recorded its Highest ever revenue - Rs.12,020 crore, a growth of 31% on a consolidated basis. Company's export at Rs. 1,873

crore recorded a robust growth of 59% over Rs. 1,176 crore in the previous year. This growth was the outcome of aggressive sales efforts, introduction of technologically advanced, and market specific products across all regions. Our OEM business was supported by wider participation in new vehicle models. During this period we rolled out the 25 millionth TBR tyre which is yet another milestone, and signifies our pioneering leadership in Truck Radials.

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

JK TORNEL & CAVENDISH

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

R&D AND TECHNOLOGY

JK Tyre has always been maintaining its technology edge in the market place. With this focus it has been consistently investing in its R&D efforts both by way of acquiring latest testing and evaluation equipment, as also enhancing its technical talent. The Centre of Excellence at Mysuru, is committed to this task and also works jointly with various national and international institutes and universities in the field of advanced materials, Nano technology, advanced tyre mechanics, vehicle dynamics and tyre-road-vehicle interaction. In this endeavor our joint venture "RPS Centre of Excellence" at IIT Madras, in its 17th year running is an excellent example of industry-academia collaboration, developing high end predictive technology.

PRODUCT EXCELLENCE

JK Tyre has always been in the forefront of innovations, thus offering newer & superior products to the customers. The Company continued to expand its footprint in providing excellent mobility solutions for fleets. Further, over a 100 new products, across categories, were launched for domestic and export markets.

Smart Tyre launched by the company has been generating good demand. We have also launched Puncture Guard Tyre in passenger vehicle segment,

the first of its kind in the Indian Market. Electric vehicles are gaining traction and joint efforts of our R&D & Tech Teams has resulted in development and launch of EV tyres across categories. We are working closely with EV OEMs, to meet their evolving needs. Continuous upgradation of product range has been part of our relentless efforts. Towards this end, our newer introductions, XM (Xtra Mileage) and XF (Xtra fuel efficient) range in the Commercial tyre segment, are the winner products, in the market.

EMBRACING SUSTAINABILITY

The impact of climate change is visible and palpable and is affecting our lives more than we know. As a responsible global tyre manufacturer, your company embraced sustainability around a decade ago and has continued on the journey to build a sustainable society by balancing our operations through 6'R' strategy viz. Reduce, Reuse, Recycle, Renew, Redesign and Remanufacture. This is reflected in the way we do business and is increasingly a part of our products and service. To exemplify, introduction of Smart Tyres as well as our retreat centers enable reduction in Carbon emissions. JK Tyre is committed to the goal of being Green and Clean Company with sustainable use of green energy, resulting in the reduction of greenhouse gases and dependence on fossil fuels. This focus on energy and resource conservation has enabled the Company to increase the usage of bio mass in its fuel mix to 22% and use of renewables in its power mix to 53%. All these efforts have enabled us to reduce the carbon emission intensity by 57% in last 8 years and we are amongst the lowest energy consuming tyre manufacturers in the world. JK Tyre has earned the distinction of becoming the lowest water consuming Company, establishing new benchmark in the tyre industry globally. We continue to remain "Zero waste to landfill" in all our plants, ensuring that no waste went to the landfills and also remains single use plastic free. It is a matter of pride that JK Tyre is among the top 30 India's most sustainable Companies. In addition we have received several recognitions at the National Level for water, and energy conservation.

Your company has recently been assessed by a reputed rating agency, on our ESG performance. I am very glad to share that JK Tyre has been rated as the best among peers in the sub-industry category of tyres.

RESPONSIBLE CORPORATE CITIZEN

Your Company has been one of the foremost proponents of inclusive growth and since inception,

has been undertaking projects for overall development and welfare of the society in areas pertaining to preventive healthcare, education, livelihood intervention, rural development, environmental sustainability and conservation of natural resources, etc. I am equally proud of the fact that despite the turbulence during the year, we stood steadfast to our commitments towards our people and the larger community especially the marginalized, as we continued to provide support through our well-structured and multifaceted Corporate Social Responsibility programs, which have been felicitated by way of the UCCI Excellence Award 2021 in CSR.

PEOPLE-OUR PRIME ASSET

We are also building a transformative workplace with a sustained focus on training, capability building, succession planning and digitization of HR processes. We pursue a Zero Accident and high safety culture.

Our focussed efforts led us to not only business success but your company has been accoladed as the first tyre brand to win the Active Customer Engagement award by CII. For the third time we have been recognized as India's Best Workplaces in Manufacturing, for year 2022 and also the Brand of the Decade.

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

WAY FORWARD

We are faced with a dynamic and evolving business environment, including new regulatory requirements that are being imposed on the tyre industry which requires us to remain agile and responsive. I assure you that with our technological prowess and human capabilities we will continue to drive smartly into the future while sustaining our endeavor to deliver greater value for you and all our stakeholders. The faith reposed by you, our dear shareholders, and other stakeholders, has been a constant source of encouragement all through out. On behalf of the board and my own I am deeply grateful to each one of you, Customers, Partners, Stakeholders, Suppliers, Banks and Community at large, for your unstinting support and look forward to the same in the years ahead.

Note : These excerpts do not purport to be a report of the proceedings of the 69th Annual General Meeting of the Company held on 26th August, 2022.



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