GROWING TOGETHER

BIL:VRS/2016-2017

10th August, 2016

M/s Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers
Dalal Street Mumbai – 400 001

National Stock Exchange of India Ltd
5th Floor, Exchange Plaza
Bandra Kurla Complex Bandra (E),
Mumbai 400 051

Scrip Name: BALKRISI/ Scrip Code : 502355

Scrip Name/Code : BALKRISIND

Dear Sir/Madam,

Sub: Submission of 54th Annual Report for the Financial Year 2015-2016

With Reference to the captioned subject, please find enclosed herewith 54th Annual Report for Financial Year 2015-2016 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

We request you to kindly take on record and oblige.

Thanking you,

Yours faithfully,
For Balkrishna Industries Limited

Arvind M Poddar
Chairman & Managing Director
DIN : 00089984

Enclosed : As above



Balkrishna Industries Limited

54th Annual Report 2016

BKT
GROWING TOGETHER



Lord Ganesha

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BOARD OF DIRECTORS:

DHARAPRASAD PODDAR
Chairman Emeritus

ARVIND PODDAR
Chairman & Managing Director

RAJIV PODDAR
Joint Managing Director

VIPUL SHAH
Whole Time Director & Company Secretary

VIJAYLAXMI PODDAR
SACHIN NATH CHATURVEDI
RAMESHKUMAR PODDAR
KHURSHED DOONGAJI
LAXMIDAS MERCHANT
SANJAY ASHER
ASHOK SARAF

BANKERS:

CORPORATION BANK
THE ROYAL BANK OF SCOTLAND N.V.
STANDARD CHARTERED BANK
STATE BANK OF INDIA
KOTAK MAHINDRA BANK LTD.
BARCLAYS BANK PLC
INDUSIND BANK LIMITED
CITI BANK N.A.
THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED
THE BANK OF NOVA SCOTIA
THE BANK OF TOKYO-MITSUBISHI UFJ, LTD
MIZUHO BANK LTD.
COMMONWEALTH BANK OF AUSTRALIA

AUDITORS:

M/s. JAYANTILAL THAKKAR & CO.
Chartered Accountants

INTERNAL AUDITORS:

M/s. DILIP A. JAIN & ASSOCIATES
Chartered Accountants

COST AUDITORS:

R S RAGHVAN
Cost Accountants

REGISTERED OFFICE:

B-66, Waluj MIDC, Waluj Industrial Area,
Aurangabad 431 136 (Maharashtra)

CORPORATE OFFICE:

BKT House, C/15, Trade World, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel (W), Mumbai – 400013
(Maharashtra)

PLANTS :

TYRE MANUFACTURING :

B-66, Waluj MIDC, Waluj Indl. Area,
Aurangabad 431 136 (Maharashtra)

SP-923, RIICO Phase-III,
P.O. Bhiwadi 301 019, Dist. Alwar (Rajasthan)

RIICO, Phase VIII,
Chopanki P.O. Bhiwadi 301 707, Dist. Alwar (Rajasthan)

Village Padhdhar, Taluka Bhuj, Dist: Kachchh (Gujarat)

CALENDERING :

SP4 - 886, RIICO Industrial Area,
Pathredi 301 707, Dist. Alwar (Rajasthan)

WIND FARM :

Village Soda Mada, Tehsil: Fatehgarh,
Dist. Jaisalmer (Rajasthan)

MOULD UNIT :

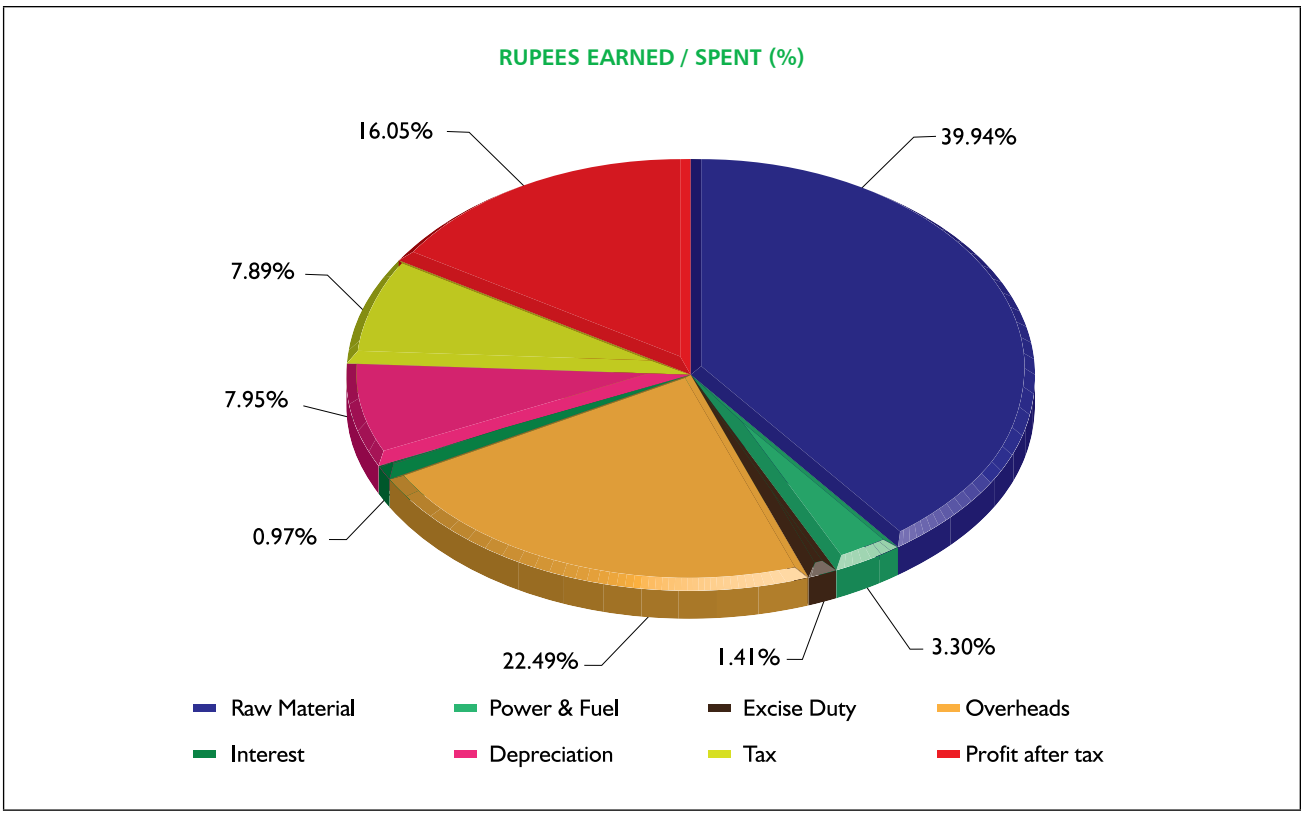
Plot No. C-21 and TS-1, M.I.D.C, Phase No. II,
Dombivali (E) 421 201, Dist. Thane (Maharashtra)

Members are requested to bring their copy of the Annual Report along with them at the Annual General Meeting, as copies of the Report will not be distributed at the Meeting.

FINANCIAL HIGHLIGHTS (STANDALONE)

Particulars				(Rs. In Crores)
Year ended 31st March	**2016**	2015	2014	2013
Revenue From Operations	**3242**	3780	3577	3191
Other Income	**295**	280	14	4
Total Revenue	**3537**	4060	3591	3195
PBIDT	**1162**	1014	908	669
PBDT	**1128**	968	882	643
Depreciation	**281**	240	165	108
PBT	**847**	728	717	535
Taxes	**279**	239	229	179
PAT	**568**	489	488	356
Dividend	***275%**	120%	100%	75%
Earning per Share of Rs. 2 each	**58.73**	51.55	50.53	36.81
Total Cash Accruals	**785**	**701**	**630**	**447**

* The Directors have declared and paid Interim Dividend of 150% (Rs.3.00 per equity share) as against 120% (Rs. 2.40 per equity share) in the previous year and a Special Dividend of 125% (Rs. 2.50 per equity share) on account of successful completion of BHUJ Project.



DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

Your Directors are pleased to present the 54th Annual Report of the Company and Company's Audited Statement of Accounts for the financial year ended 31st March 2016.

FINANCIAL RESULTS:

(Rs. In Crores)

Particulars	Current Year ended 31.03.2016		Previous Year ended 31.03.2015	
Revenue from Operations and other Operating Income		**3291.78**		3833.83
Less: Excise Duty Recovered on Sales		**50.01**		53.93
Add: Other Income		**295.39**		279.80
Total Revenue		**3537.16**		4059.70
Gross Profit		**1128.03**		967.75
Less: Depreciation and Amortization		**281.14**		240.20
Profit before Tax		**846.89**		727.55
Less: Provision for Taxation				
Current Tax	**229.70**		215.10	
Deferred Tax (Net)	**49.52**	**279.22**	23.64	238.74
Profit after Tax		**567.67**		488.81
Balance brought forward from last year		**562.88**		142.43
PROFIT AVAILABLE FOR APPROPRIATIONS:		**1130.55**		631.24
Transfer to General Reserve		**503.07**		50.00
Interim Dividend		**53.16**		NIL
Tax on Interim Dividend		**10.83**		NIL
Proposed Final Dividend		**NIL**		23.20
Tax on Final Dividend		**NIL**		4.63
Adjustment to relating Earlier Year		**0.06**		NIL
Add: Income Tax of Earlier Years		**NIL**		9.47
Balance Carried forward to balance sheet		**563.43**		562.88

During the previous year, consequent to scheme of arrangement between Balkrishna Industries Limited, Balkrishna Paper Mills Limited and Nirvikara Paper Mills Limited under section 391 to 394 of the Companies Act, 1956, the operations of the company for the part of the previous year also includes activities relating to its erstwhile paper subsidiaries. Therefore, the above referred figures for the current year are not comparable with that of previous year.

OPERATIONS:

Your Company mainly operates in one single segment i.e. "tyres" with focus on manufacture of wide range of **"Off-Highway Tyres" (OHT)**. These tyres are mainly meant for Agricultural, Industrial & Construction, Earthmover & Port, Mining, Forestry, Lawn & Garden and All Terrain Vehicles (ATV). **More than 85% of our revenue is generated through exports.**

During the year under consideration, your Company's Total Revenue has decreased from Rs. 3,915 Crores to Rs. 3,517 Crores (which includes exchange difference attributable to exports). The reduction in Total Revenue was mainly due to reduction in sales price consequent to reduction in raw materials prices and also due to general slowdown across the globe.

However the Earning before Interest, Depreciation and Tax (EBITDA) of the company for year under consideration has increased to Rs.1,162 Crores from Rs.1,014 Crores during the year under consideration.

EXPORT HOUSE STATUS:

Your Company enjoys the status of "Four Star Export House".

SHIFTING OF REGISTERED OFFICE:

Your Company shifted its registered office from H-3/1 MIDC, "A" Road, Tarapur (Boisar) 401 506, District Thane (Maharashtra) to B-66, Waluj MIDC, Waluj Industrial Area, Aurangabad 431 136 (Maharashtra) within same state w.e.f. 26th December, 2015.

BHUJ PROJECT:

The work on green field tyre plant of the Company at Bhuj has been completed.

DIVIDEND:

The Directors had declared and paid Interim Dividend of 150% (Rs.3.00 per equity share) as against 120% (Rs. 2.40 per equity share) in the previous year and a Special Dividend of 125% (Rs. 2.50 per equity share) on account of successful completion of BHUJ Project.

The total Dividend paid was 275% (Rs. 5.50 per equity share) for the year, with a total payout of Rs. 63.99 Crores, including tax on dividend as against Rs.27.83 Crores during previous year.

The Board has decided to treat said Interim Dividend as Final Dividend for the financial year 2015-2016.

SHARE CAPITAL:

The paid up Share Capital of the Company as on 31st March, 2016 was Rs.19.33 Crores. During the year under review the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on 31st March, 2016, none of the Directors of the Company hold convertible instruments.

RESERVES:

The Company proposes to transfer Rs. 503.06 Crores to General Reserves.

SCHEME OF AMALGAMATION:

The Board has approved the Scheme of Amalgamation ("the Scheme") of your Company's wholly owned subsidiary company BKT Exim Limited (BKT Exim) into it and their respective shareholders and creditors under Sections 391 to 394 of the Companies Act, 1956. Pursuant to the Scheme (i) BKT Exim shall be amalgamated with the Company with effect from the Appointed Date i.e. 1st April 2015 and (ii) The entire business and whole of undertakings of the BKT Exim together with assets, liabilities, properties, rights, benefits and interest therein, shall be vested with the Company as a going concern. The entire issued, subscribed and paid up share capital of the BKT Exim held by the Company shall stand cancelled in the books of BKT Exim.

OUTLOOK FOR THE CURRENT YEAR 2016-2017:

The Company's earnings are mainly generated through exports. Due to recessionary trends across the globe during past few years, the business environment has been tough and challenging which has marginally impacted the revenue of the company during the previous year. However, the long-term prospects of the company are good and promising. Your Company is exploring all the avenues to ensure growth of the business which includes; deeper penetration into existing market within India as well as outside India, extending relationship with OEMs and expanding product range. With all such efforts, your Company has aimed to achieve higher sales during the current year.

OPPORTUNITY & THREATS:

OPPORTUNITIES:

Your Company operates into a segment predominantly known as "large varieties-low volume segment", which is not only capital intensive but also labour intensive. Your Company is fully geared up to take advantage of the peculiarities of the said segment and has developed a large base of SKUs to meet the diverse needs and applications.

Moreover, this segment is neither exposed to any technological obsolescence nor wild fluctuations in demand for its products.

The Company is continuously marching ahead to encash incremental opportunity in the form of developing "Earthmovers & mining tyres markets and taking advantage of the shift from bias to radial tires, which is growing up continuously. In order to take advantage of this opportunity, the Company had first set up an all-steel OTR Radial tyre plant at its Chopanki location and now have added further capacity at its Bhuj plant to produce large size all steel OTR radial tires besides other categories of tires. Your Company is proud to be first Company in India to set up such plant. Your Company is continuously expanding its base into its various sub-segments like agricultural, industrial, construction, mining, winter and solid tyres under both technologies – bias as well as radials.

THREATS:

Like any other Company, your Company is also exposed to various threats like competition from small players, retention of employees, labor unrest, increase in raw material prices and other input costs etc.

RISKS / CONCERNS AND RISK MITIGATION:

Fluctuation in Raw Material prices: The Company's major raw material is Natural Rubber, which is an agricultural commodity and actively traded on the commodities exchanges. Its prices fluctuate significantly and have witnessed significant volatility in the past. During last two years, the raw material prices have been soft in the back drop of subdued business environment across the globe. Of late, it has started moving up. In certain raw materials, the movement has been sharp. We do not foresee any immediate reversal in the price trend.

In order to minimize such risks, the Company not only enters into medium-term contracts but also adopts the policy to "Buy and Stock" large quantities during the lean period.

Since most of the raw materials are imported, the company is exposed to foreign currency risk. However, it enjoys natural hedge as most of its revenues are in foreign currency.

Labour Relations: Since Company's manufacturing process is that of batch processing, it requires lot of skilled as well as un-skilled workers. Maintaining a huge work force is a big challenge.

In order to mitigate the said risk, the Company follows good HR practices to promote the welfare, safety of its workmen and improve the work environment. All workers are paid more than adequate remuneration for their work.

Retention of skilled manpower: Like other players in the industry, the Company is also exposed to this risk, more particularly when there is shortage of skilled manpower in the industry.

The Company is able to manage the said risk by good HR practices and rewarding its employees handsomely.

Currency fluctuation: As stated earlier the company revenues are mainly generated through exports. The Company also imports lot of its raw materials and capital equipment's. Moreover, all its borrowings are in foreign currency and it is therefore exposed to risks due to currency fluctuations.

The Company follows the system of hedging its receivables (net off payables) well in advance by entering into Forward Contracts, thereby protecting itself from the fluctuations in currencies.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate system of internal controls to ensure that all the assets are safeguarded and are productive. Necessary checks and balances are in place to ensure that transactions are adequately authorized and reported correctly. The Internal Auditors of the Company conduct Audits of various departments to ensure that the necessary controls are in place. The Audit Committee of the Board reviews these and the Company, when needed, takes corrective actions.

HUMAN RESOURCES:

The Company's human resources continue to be its biggest asset. The team has remained as committed as ever and produced results that are considered significant. Quality, quick delivery and focus on resolving customer issues are the hallmark of the team performance. There is a strong focus on TEAM spirit, during the year, many events/training programs were conducted to develop personality and outlook of its employees. Employee relations continue to be cordial.

SUBSIDIARY COMPANIES:

The company has following 100% subsidiary companies:

BKT EXIM Limited, BKT Tyres Limited, Thristha Synthetics Limited, and Indirect Subsidiary Companies i.e subsidiary companies of BKT Exim Limited; i.e. BKT EUROPE S.R.L., BKT USA INC, BKT TIRES (CANADA) INC., BKT EXIM US, INC. and subsidiary of BKT EXIM US, INC. i.e. BKT TIRES, INC. The Policy determining material subsidiaries as approved may be accessed on the Company's website at the link *https://cloud.bkt-tires.com/bkt-financials/others/policy-for-determining-material-subsidiaries.pdf.*

Your Directors have approved the Scheme of Amalgamation ("the Scheme") of its wholly owned subsidiary company BKT Exim Limited (BKT Exim) into it and their respective shareholders and creditors under Sections 391 to 394 of the Companies Act, 1956 at its meeting held on 18th May, 2016, subject to the approval of the of Honorable High Court of Judicature at Bombay ('the High Court'), or National Company Law Tribunal ('NCLT') or such other competent authority.

A statement containing the salient features of the financial position of subsidiary companies in Form AOC-1 attached as **Annexure I**.

DIRECTOR RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors hereby confirmed that:

(i) that in the preparation of the annul accounts for the year ended 31st March, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no material departures from the same;

(ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the Profit of the Company for the year ended as on that date;

(iii) the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the Directors have prepared the annual accounts of the Company on a "going concern" basis;

(v) the Directors have laid down internal financial controls to be followed by the Company and the such internal financial controls are adequate and are operating effectively; and

(vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that systems are adequate and operating effectively.

CORPORATE GOVERNANCE:

As required by Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), 2015, a Report on Corporate Governance together with a Certificate from the Company's Auditors confirming compliance forms an integral part of this report.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All contracts /arrangements / transactions entered by the Company during the financial year with related parties were in ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contracts /arrangements / transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The Policy on materiality of related party transactions and dealing with related party transactions are approved by the Board may be accessed on the Company's website at the link *https://cloud.bkt-tires.com/bkt-financials/others/policy-on-materiality-of-related-party-transactions-and-on-dealing-with-related-party-transactions.pdf*. Members can refer Note no. 41 to the financial statement which set out related party disclosures.

The Board of Directors of the Company has approved the criteria for making the omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length. All related party transactions are placed before the Audit Committee for review and approval.

All related party transactions entered during the financial year were in ordinary course of the business and on arm's length basis. No material related party transactions were entered during the financial year by your Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to your Company.

CORPORATE SOCIAL RESPONSIBILITY:

The nomenclature of Corporate Social Responsibility Committee has been changed to Corporate Social Responsibility & Governance Committee w.e.f 18th May, 2016. The committee is reconstituted which comprises of Mr. Sachin Nath Chaturvedi – (Chairman), Mr. Arvind Poddar (Member), Mrs. Vijaylaxmi Poddar (Member), Mr. Laxmidas Merchant (Member), Mr. Sanjay Asher (Member) and Mr. Khurshed Doongaji (Member). The said committee which is currently responsible to recommend the CSR activities to be undertaken by the Board shall now also be responsible to implement Business Responsibility Policy.

The Corporate Social Responsibility & Governance Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which is approved by the Board. As a part of its CSR initiatives, during the year, the Company has spent Rs.13.20 Crores (2%) of the average net profits of last three years) on CSR activities.

The Annual Report on CSR activities is annexed herewith as **Annexure II.**

RISK MANAGEMENT:

The Company has framed a Risk Management Policy to identify and access the key business risk areas and a risk mitigation process. A detailed exercise is being carried out that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Vipul Shah, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible seeks re-appointment. The Board recommends his re-appointment.

As recommended by Nomination and Remuneration Committee the Board of Directors of the Company has re-appointed Mr. Arvind Poddar as Chairman & Managing Director of the Company for a term of five years w.e.f. 1st August, 2016, subject to approval of Members of the Company.

Mrs. Vijaylaxmi Poddar has resigned as an Executive Director w.e.f. 8th August, 2015. However, she shall continue as Non-Executive Director on Board w.e.f. 9th August, 2015.

Brief resume of the Director being re-appointed as required under SEBI (Listing Obligations and Disclosure Requirements), 2015 is provided in the Annexure to the notice convening the Annual General Meeting of the Company.

The Company has received declaration from all Independent Directors of the Company confirming that they meet with the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), 2015.

CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:

The Independent Directors shall be of high integrity with relevant expertise and experience so as to have as diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, Law, governance and general management.

CRITERIA FOR APPOINTMENT OF MANAGING DIRECTORS / WHOLE TIME DIRECTORS:

The Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise and experience particularly in Tyre Industry, leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

REMUNERATION POLICY:

The Company follows a policy on remuneration of Directors and Senior Management employees, details of the same are given in the Corporate Governance Report.

PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Regulations 17 & 19 read with part D of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Board has carried out an evaluation of the Directors as well as the evaluation of the Board and Committees. The process was carried out by circulating evaluation forms on the Board and Committees' functioning on certain parameters set out in the Performance Evaluation Policy adopted by the Board. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the non-Independent Directors including the Executive Directors was carried out by the Independent Directors. The Directors expressed satisfaction with the evaluation process and performance of the Board of Directors and Committees.

FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS:

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program including the presentation from the Managing Director on the Company's manufacturing, marketing, finance and other important aspects.

The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. The induction for Independent Director include interactive sessions with Managing Director, Joint Managing Director, Whole Time Director and Business and Functional Heads, visit to the manufacturing site etc. On the matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion with the Board members.

The details of such familiarisation programme have been displayed on the company's website link: *https://cloud.bkt-tires.com/bkt-financials/others/familiarisation-programme-for-independent-directors.pdf*.

AUDITORS:

Statutory Auditors:

Messers Jayantilal Thakkar & Co., Chartered Accountants, the Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment and who have furnished certificates of their eligibility for re-appointment as required under Companies Act, 2013.

Secretarial Auditor:

The Board has appointed Mr. G.B.B. Babuji, Company Secretary in Whole time Practice, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended 31st March, 2016 is annexed herewith marked as **Annexure III.**

Cost Auditor:

The Company's revenue from exports, in foreign exchange, exceeds seventy five per cent of Company's total revenue, as per Rule 7 (i) of the Companies (Cost Records and Audit) Rules, 2014 Cost Audit is not applicable to the Company for the financial year 2015-16.

Auditor's Qualification

There are no qualifications in the reports of the Statutory Auditors and Secretarial Auditor.

INDUSTRIAL RELATIONS:

The industrial relations with staff and workers during the year under review continue to be cordial.

DISCLOSURES:

1. **Vigil Mechanism /Whiste Blower Policy**

   The Vigil Mechanism of the Company, which also incorporate a whistle blower policy in the terms of SEBI (Listing Obligations and Disclosure Requirements), 2015 deals with instances of fraud and mismanagement, if any. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: *https://cloud.bkt-tires.com/bkt-financials/others/vigil-mechanism-and-whistle-blower-policy.pdf*.

2. **Audit Committee**

   The Audit Committee comprises of Two Independent Non-Executive Directors viz. Mr. Sachin Nath Chaturvedi (Chairman), Mr. Khurshed Doongaji and Mr. Rajiv Poddar (Joint Managing Director). All the recommendations made by the Audit Committee were accepted by the Board.

3. **Number of Board Meeting**

   The Board of Directors of the Company met six times in the year, the details of which are provided in the Corporate Governance Report.

4. **Particulars of loans given, investment made, guarantees given and securities provided**

   Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement (Please refer to Note No. 14, 21 and 31 to the Standalone Financial Statement).

5. **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo**

   The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, are provided in **Annexure IV** to this report.

6. **Cash Flow and Consolidated Financial Statements:**

   As required under Regulation 34(2) of SEBI LODR, Cash Flow and Consolidated Financial Statements is annexed.

7. **Extract of Annual Return**

   Extract of annual return of the Company is annexed herewith as **Annexure V** to this report.

8. **Particulars of Employees and related disclosures**

   The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure VI**. In terms of the provisions of Section 197(12) of the Act read with sub-rules (2) and (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules are provided in the Report.

   However, having regard to the provisions of the first proviso to Section 136(1) of the Act, the details are excluded in the report sent to members. The required information is available for inspection at the registered office/corporate office and the same shall be furnished on request.

No disclosure or reporting is required in respect of the following items as there were no transaction on these items during the year under review:

1. Details relating to deposit and unclaimed deposits or interest thereon.
2. Issue of equity shares with differential rights as to dividend or voting.
3. Issue of shares (including sweat equity shares) and Employee Stock Option Scheme of the Company under any scheme.
4. Neither the Managing / Joint Managing Director nor the Whole-time Director of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern and Company's operation in future.

CAUTIONARY STATEMENTS:

Certain statements in the "Management Discussion and Analysis" describing the Company's views about the Industry, expectations/ predictions, objectives etc., may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the Statement. Company's operations may inter-alia affect with the supply and demand stipulations, input prices and their availability, changes in Government regulations, taxes, exchange fluctuations and other factors such as Industrial relations and economic developments etc. Investors should bear the above in mind.

APPRECIATION:

Your Company is grateful to its valued customers for their continuous co-operation and patronizing its products. A word of appreciation is also extended to its Financial Institutions and Banks for their continuous co-operation and assistance in meeting the financial requirements of the Company. Your company would also like to thank its shareholders, employees, vendors and other service providers for their valuable services to the company.

Last but not least, your Directors wish to place on record their warm appreciation to you for your continuous support and encouragement.

For and on behalf of the Board of Directors

Mumbai,
Dated : 18th May, 2016

ARVIND PODDAR
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE I

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint venture.

Part "A": Subsidiaries

Sr. No.	Particulars	1	2	3	4	5	6	7
		Rs. In Crores						
1	Name of the Subsidiary	BKT EXIM LIMITED	BKT TYRES LIMITED	BKT EXIM US, INC. *	BKT EUROPE S.R.L.	BKT USA INC	BKT TIRES (CANADA) INC	THRISTHA SYNTHETICS LIMITED
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period of all the subsidiaries is the same as that of the Company.						
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.**	INR	INR	USD	EURO	USD	CAD	INR
4	Share Capital	0.70	0.05	0.37	0.06	0.01	0.03	0.05
5	Reserves & Surplus	2.22	0.02	0.14	0.57	3.62	0.29	(0.01)
6	Total Assets	34.30	0.07	23.20	28.80	4.37	0.55	0.04
7	Total Liabilities	31.38	0.001	22.70	28.17	0.74	0.23	0.001
8	Investments	0.45	0.00	0.00	0.00	0.00	0.00	0.00
9	Turnover	4.16	0.00	34.47	48.61	18.85	3.83	0.00
10	Profit before taxation	3.34	(0.01)	(0.61)	4.57	0.87	0.19	(0.002)
11	Provision for taxation	1.19	0.00	0.01	0.69	0.28	0.06	0.00
12	Profit/Loss after taxation	2.15	(0.01)	(0.62)	3.88	0.59	0.13	(0.002)
13	Proposed Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	% of shareholding	100%	100%	100%	100%	100%	100%	100%

Notes:

1. Part B of the Annexure is not applicable as there is no associate companies/joint venture of the Company as on 31st March, 2016.
2. * Includes figures of BKT TIRES, INC.

**** Exchange Rate**

1 Euro = Rs.75.0955
1 USD = Rs.66.3329
1 CAD = Rs.50.7795

For and on behalf of the Board of Directors

Mumbai,
Dated: 18th May, 2016

ARVIND PODDAR
Chairman & Managing Director

ANNEXURE – II

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2015-16

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

   CSR Policy is stated herein below : WEBLINK *http://www.bkt-tires.com/en/about-us/investors-desk/download?file_id=1796*

2. The Composition of Corporate Social Responsibility & Governance Committee ("CSR&G")

   The nomenclature of Corporate Social Responsibility Committee has been changed to Corporate Social Responsibility & Governance Committee w.e.f 18th May, 2016. The Committee comprised of :

   Mr. Sachin Nath Chaturvedi (Chairman), Mr. Laxmidas Merchant (Member), Mr. Sanjay Asher (Member), Mr. Khurshed Doongaji (Member) and Mrs. Vijaylaxmi Poddar (Member).

3. Average net profit of the Company for last three financial years : Rs.660.15 Crores
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : Rs.13.20 Crores
5. Details of CSR spent during the financial year :
   (a) Total amount to be spent for the financial year; Rs.13.20 Crores
   (b) Amount unspent, if any : NIL
   (c) Manner in which the amount spent during the financial year is detailed below:

Sr No.	Projects / Activities	Sector	Project or Programs wise Districts / State	Amount Outlay (Budget) Project of Programs wise	Amount Spent on the project or program	Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency*
				Rs. In Crores			
1	Provision of Mid-Day meals for 165000 school children	Healthcare / Education	Vrindavan, Lucknow (U.P), Ahmedabad, Surat (Gujarat), Nathdwara, Jaipur (Rajasthan),	9.72	9.72	9.72	9.72
2	Contribution for Providing assistance	Prime Minister's National Relief Fund	Prime Minister's National Relief Fund	1.00	1.00	1.00	1.00
3	Scholarship to needy and deserving students of Ahsoka University	Education	Kundli (Haryana)	2.00	0.75	1.50	0.75
4	Heart surgeries of needy and under privileged children	Healthcare	Bangalore (Karnaraka), Kolkata, Durgapur (West Bengal), Jaipur (Rajasthan), Ludhiana (Punjab), Mumbai (Maharashtra), Hyderabad (Andhra Pradesh), Ahmedabad (Gujarat), Chennai (Tamil Nadu)	0.25	0.25	0.25	0.25
5	Procurement of Anaesthesia Delivery System, Bronchoscope and Ultrasound Machines	Healthcare	Mumbai (Maharashtra)	0.95	0.95	0.95	0.95
6	Children Palliative care - Care for children with life limiting illness	Healthcare	Aurangabad (Maharashtra), Rajasthan	0.25	0.25	0.25	0.25
7	Construction of Household toilets and solid liquid management facility under Mahatma Gandhi Swachata Abhiyan	Rural Development	Paddhar, Kandherai, Mamuara Tal: Bhuj (Gujarat)	0.23	0.23	0.23	0.23
8	Education and Training in Computer, Sewing and Handicraft	Education	Madhapar Bhuj (Gujarat)	0.01	0.01	0.01	0.01
9	Rural Development Medical and Education	Rural Development	Mumbai, Navi Mumbai, Dombivali (Maharastra), Bhuj (Gujarat)	0.04	0.04	0.04	0.04
				14.45	**13.20**	**13.95**	**13.20**

* Details of the Implementing agencies - 1. Tha Akshay Patra Foundation, Bangalore 2. Prime Minister National Relief Fund, Delhi 3. International Foundation for Research and Education, Delhi 4. Have a Heart Foundation, Bangalore 5. Tata Memorial Centre, Mumbai 6. Tata Memorial Centre, Mumbai 7. 100% Contribution by Industrial Unit (Direct) 8. Kutch Navpallav Education and Medical Charitable Trust, Bhuj 9. 100 % Contribution by Industrial Unit (Direct)

6. The Company was required to spend Rs.13.20 Crores during the year and spent the entire amount of Rs.13.20 Crores on various CSR activities.
7. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

S.N. Chaturvedi
Chairman of CSR&G Committee

Vijaylaxmi Poddar
Member of CSR&G Committee

The CSR vision of the Company is "Promotion of Education, Health, Rural Development and help society in difficult times like natural calamities".

The Company commits itself to creating a more equitable and inclusive society by supporting processes that lead to sustainable transformation and rural development. The Company either by itself or through vibrant and innovative partnerships with the Government, NGO's and Other Organizations, will promote education and healthcare for all vulnerable sections of society and will undertake rural development initiatives as well as initiative to help nation to face aftermath of natural calamities.

The Company further commits itself to support the Country in the areas of Food relief (eradicating hunger), Health Services and Environmental Sustainability Programme in the case of any natural disaster or calamity (viz. floods, earthquake etc.). BKT either by itself or through partnerships with the Government, NGO's and other organizations, will extend its support in the measures for rescue, relief and rehabilitation.

To pursue these objectives;

1) We will continue to provide medical assistance to needy and poor people directly as well as through NGO's and also by providing medical equipment's to hospitals.
2) We will continue to provide assistance to needy and poor students to impart good education through NGO's and other educational institutions and also by way of providing stationeries including computer etc to schools / educational institutions.
3) In terms of rural development, we will work with NGO's or other similar kind of organization to install and maintain water management facility to provide good and hygienic drinking water in the rural areas.
4) We will pro-actively support the Government, NGO's and other similar kind of organization to help the society to tackle the aftermath of natural disaster or calamities like floods, earthquake etc.
5) We will continue to work with likeminded bodies including governments, voluntary organizations and academic institutes to achieve our objective in the area of CSR.
6) We will interact with the stakeholders to review and improve our CSR activities.

ANNEXURE - III

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2016

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

To,
The Members,
Balkrishna Industries Limited
B-66, Waluj MIDC, Waluj Industrial Area,
Aurangabad 431136
Maharashtra

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Balkrishna Industries Limited (hereinafter called "the Company") – CIN L99999MH1961PLC012185. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the period covering the financial year ended on 31st March, 2016 (hereinafter referred to as "audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder; the applicable provisions of the Companies Act, 1956 and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; -- ***Not applicable to the Company during the audit period.***

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; -- ***Not applicable to the Company since it has no Employee Stock Option Scheme / Employee Stock Purchase Scheme.***

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; -- ***Not applicable to the Company since it has not issued any debt securities.***

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; -- ***Not applicable to the Company during the audit period*** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; -- ***Not applicable to the Company since it has not bought back any securities during the audit period.***

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

(ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the audit period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that, on an examination, on a test check basis, the relevant records and documents, and having regard to the compliance management system prevailing in the Company, the Company has complied with the following laws applicable specifically to the Company:

(i) The Rubber Act, 1947 and the Rules made thereunder

(ii) The Petroleum Act, 1934 and the Rules made thereunder

(iii) The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008

I further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

(i) the Company has shifted its Registered Office from H-3/1, MIDC A Road, Tarapur, Boisar 401506, Dist. Thane, Maharashtra to B-66, Waluj MIDC, Waluj Industrial Area, Waluj, Aurangabad 431136, Maharashtra

(ii) the Company has kept the Register of Members and other Registers/Records maintained under Section 88(1) of the Act and copies of the Annual Returns filed under Section 92 of the Act at the Corporate Office of the Company at Mumbai or at the office of Registrar and Share Transfer Agent.

(iii) The Board of Directors of the Company at its Meeting held on February 13, 2016 approved a proposal for amalgamation of its Wholly Owned Subsidiary Company viz. M/s. BKT Exim Limited into itself and authorised some of the Directors/Officers of the Company to obtain professional advice for the same.

G.B.B. Babuji
Company Secretary in Whole-time Practice
Membership No. FCS-1182
C P No. 8131

Place : Mumbai,
Date: May 18, 2016.

'Annexure A'

To,

The Members,
Balkrishna Industries Limited
B-66, Waluj MIDC, Waluj Industrial Area,
Aurangabad 431136
Maharashtra

My report of even date is to be read along with this letter.

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

G.B.B. Babuji
Company Secretary in Whole-time Practice
Membership No. FCS-1182
C P No. 8131

Place : Mumbai,
Date: May 18, 2016.

ANNEXURE – IV

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014:

A. CONSERVATION OF ENERGY:

(a) Energy Conservation measures taken by the Company;

(i) Electrical Energy:

Energy Audit by outside Consultants has been carried out in the earlier years at the various Plants of the Company and also in-house audits/surveys are conducted periodically. Necessary follow-up actions are being continuously carried out.

Besides, regular monitoring of the overall energy consumption is also carried out periodically during the year, and losses, if any, are identified and suitable improvements carried out.

(ii) Coal/Fuel Oil Consumption:

The Company is carrying out regular maintenance of steam lines/steam traps and user equipment's to ensure high efficiency levels throughout the year, and new improvements are reviewed regularly and implemented wherever found suitable.

(b) Additional investments and proposals, if any, being implemented for reduction of Consumption of energy;

The Company is reviewing various proposals for reduction in consumption of energy, mainly by way of replacement of existing equipment's by modern and energy efficient equipment's.

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;

The various energy conservation measures detailed above adopted by the Company have resulted in savings in energy consumption as per information given in Form 'A'.

(d) Total energy consumption and energy consumption per unit of production as per Form 'A' hereunder.

FORM 'A'

I.	Power and Fuel Consumption:	Current Year Rupees	Previous Year Rupees
1	Electricity		
	(a) Purchased		
	Units (KWH)	**10,79,30,336**	15,24,48,634
	Total amount (Rs. in lacs)	**7,231**	9,717
	Rate/Unit (Rs.)	**6.70**	6.37
	(b) Own generation		
	(i) Through Diesel Generation Sets*	**8,16,970**	10,70,432
	Units per liter of H.S.D/L.D.O/Furnace Oil	**1.59**	1.68
	Cost/Unit (Rs.)	**21.33**	25.11

I.	Power and Fuel Consumption:	Current Year Rupees	Previous Year Rupees
	(ii) Through Coal Power Plant**		
	Units (KWH)	**3,82,89,490**	NIL
	Units per liter of Diesel Oil/ Furnace Oil	**0.50**	NIL
	Cost/Unit (Rs.)	**7.35**	NIL
	(ii) Through Wind Mill (for Captive Consumption)		
	Units (KWH)	**38,15,673**	57,32,712
	*Includes consumption of diesel oil for regular weekly trails of Diesel Generation Sets.		
	**Includes consumption of coal for regular weekly trails of Power Plant.		
2	Pet Coke (specify quality and where used)		
	The Company also used Pet Coke grade B/C in its Boilers		
	Quantity (Tons)	**24,765**	30,472
	Total Amount (Rs. In Lacs)	**1,694**	2,613
	Average Rate (Rs./Ton)	**6,839**	8,576
3	Coal (specify quality and where used)		
	The Company also used Coal grade B/C in its Boilers		
	Quantity (Tons)	**77,034**	27,709
	Total Amount (Rs. In Lacs)	**2,814**	872
	Average Rate (Rs./Ton)	**3,653**	3,147
4	H.S.D/L.D.O/Furnace Oil		
	Quantity (K.Ltrs)	**513**	639
	Total Amount (Rs. in Lacs)	**174**	269
	Average Rate (Rs./KL) (Net of Modvat, Wherever applicable)	**33,937**	42,065

II. Consumption per unit of production:

	Electricity (KWH)	Furnace Oil (Ltr)	Coal (Kgs)	Petcoke (Kgs)
Automobile Tyres (MT)	**991** (995)	**3** (4)	**519** (180)	**167** (198)

Note: The Company manufactures a wide range of products and the consumption of energy will vary significantly depending upon the actual product-mix for the period.

Figures in brackets are of previous year.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

   The Company has been developing in-house modification/improvements in Process Technology in its various manufacturing sections-which, when found suitable, are integrated into the regular manufacturing operation.

2. Benefits – which, when found suitable, are integrated into the regular manufacturing operation:

   (a) Quality improvement.

   (b) Energy conservation.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished: N.A.

4. the expenditure incurred on Research and Development (Rs. In Lacs)

   (a) Capital : Rs. 393.24

   (b) Revenue : Rs. 1,268.88

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans;

The export of Tires, Tubes and Flaps during the year amounted to **Rs. 2,711** Crores as against Rs. 3,078 Crores during the previous year. The products of the Company are well established in the international market and the Company expects to further improve its performance in the export segment.

(b) Total foreign exchange used and earned (Rs. in Crores)

Used : 1,089 Earned : 2,785

For and on behalf of the Board of Directors

Mumbai,
Dated : 18th May, 2016

ARVIND PODDAR
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE V

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L99999MH1961PLC012185
ii)	Registration Date	20th November, 1961
iii)	Name of the Company	Balkrishna Industries Ltd
iv)	Category / Sub-Category of the Company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	B-66, Waluj MIDC, Waluj Industrial Area, Aurangabad 431136 (Maharashtra) Tel No. (0240) - 6646950 / 999 Email : shares@bkt-tires.com
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Hyderabad address : M/s Karvy Computershare Private Limited UNIT : Balkrishna Industries Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Email Id: einward.ris@karvy .com Phone: +91 40 6716 2222; Fax No: +91 40 2342 0814 Website: www.karvycomputershare.com Mumbai address (for shareholder services) : B-24, Rajabhadur Mansion, 6, Amblal Doshi Marg Behind BSE Ltd , Fort, Mumbai - 400 001 Phone : +91 022 66235454

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Pneumatic Tyres	25119	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Subsidiary Companies

Sr. No.	Name of The Company	Address	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	BKT EXIM LTD	BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013	U74999MH2007PLC167200	Subsidiary Company	100%	Section 2(87)
2	BKT TYRES LTD	BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013	U35990MH2007PLC171411	Subsidiary Company	100%	Section 2(87)
3	THRISTHA SYNTHETICS LTD	BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013	U17291MH2013PLC244763	Subsidiary Company	100%	Section 2(87)
4	BKT EUROPE S.R.L.	Viale Della Repubblica, 133 2083, 1 Seregmo (MB) Italy	NA	Subsidiary Company	100%	Section 2(87)
5	BKT USA INC.	2660 West Market St. Suite 100 Fairlawn (Akron) OH 44333, USA	NA	Subsidiary Company	100%	Section 2(87)
6	BKT TIRES (CANADA) INC.	55 York Street, Suite 401, Toronto, Ontario M5J 1R7, Canada	NA	Subsidiary Company	100%	Section 2(87)
7	BKT EXIM US, INC.	960, Holmdel Road, Bldg 2, Holmdel, NJ 07733	NA	Subsidiary Company	100%	Section 2(87)
8	BKT TIRES, INC.	12 Cadillac Drive, Suite 240, Brentwood, TN 37027, USA	N.A.	Subsidiary Company	100%	Section 2(87)

Associates Companies

Sr. No.	Name of The Company	Address	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
NIL						

IV. SHARE HOLDING PATTERN (Equity Shares Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A Promoters									
1) Indian									
a Individuals/ HUF *	56347740	-	56347740	58.30	56347740	-	56347740	58.30	(0.00)
b Central Govt.	-	-	-	-	-	-	-	-	-
c State Govt.(s)	-	-	-	-	-	-	-	-	-
d Bodies Corporate	270	-	270	0.00	270	-	270	0.00	-
e Banks/ FI	-	-	-	-	-	-	-	-	-
f Any other (specify)	-	-	-	-	-	-	-	-	-
i. Trusts	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	**56348010**	-	**56348010**	**58.30**	**56348010**	**-**	**56348010**	**58.30**	**(0.00)**
2) **Foreign**									
a NRI Individuals	-	-	-	-	-	-	-	-	-
b Other Individuals	-	-	-	-	-	-	-	-	-
c Bodies Corporate	-	-	-	-	-	-	-	-	-
d Banks/ FI	-	-	-	-	-	-	-	-	-
e Any other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total holding of Promoter (A)=(A)(1)+(A)(2)	**56348010**	-	**56348010**	**58.30**	**56348010**	**-**	**56348010**	**58.30**	**(0.00)**
B Public Shareholding									
1) Institutions									
a Mutual Funds/ UTI	15351336	-	15351336	15.88	13439340	-	13439340	13.90	(1.98)
b Banks/ FI	-	-	-	-	26282	-	26282	0.03	0.03
c Central Govt.	-	-	-	-	-	-	-	-	-
d State Govt.(s)	-	-	-	-	-	-	-	-	-
e Venture Capital Funds	-	-	-	-	-	-	-	-	-
f Insurance Companies	-	-	-	-	-	-	-	-	-
g FIIs	13754123	-	13754123	14.23	17982891	-	17982891	18.61	4.38
h Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	**29105459**	**-**	**29105459**	**30.11**	**31448513**	**-**	**31448513**	**32.54**	**2.43**
2) Non-Institutions									
a Bodies Corporates									
i. Indian *	1822517	1500	1824017	1.89	1603705	1500	1605205	1.66	(0.23)
ii. Overseas									
b Individuals									
i. Individual Shareholders holding nominal share capital upto Rs. 1 lakh	5613770	1076655	6690425	6.92	5189966	1106395	6296361	6.51	(0.41)
ii. Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	1713090	546900	2259990	2.34	252000	405600	657600	0.68	(1.66)
c Others (specify)									
i. Non-Resident Indian	399044	-	399044	0.41	300644	-	300644	0.31	(0.10)
ii. Overseas corporate Bodies	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
iii. Foreign Nationals	1000	-	1000	0.00	-	-	-	-	(0.00)
iv. Clearing Members	-	-	-	-	-	-	-	-	-
v. Trust	30650	-	30650	0.03	2262	-	2262	0.00	(0.03)
vi. Foreign Bodies	-	-	-	-	-	-	-	-	-
Sub-Total (B) (2)	**9580071**	**1625055**	**11205126**	**11.59**	**7348577**	**1513495**	**8862072**	**9.16**	**(2.43)**
Total Public Shareholding (B)= (B)(1) + (B)(2)	**38685530**	**1625055**	**40310585**	**41.70**	**38797090**	**1513495**	**40310585**	**41.70**	**0.00**
Total (A+B)	**95033540**	**1625055**	**96658595**	**100.00**	**95145100**	**1513495**	**96658595**	**100.00**	**0.00**
C Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**95033540**	**1625055**	**96658595**	**100.00**	**95145100**	**1513495**	**96658595**	**100.00**	**0.00**

*Note :As on 31st March, 2016, total Promoter Share Holding was 5,63,48,010 (58.30%) is inclusive of 22,500 shares which is held in the name of SSM Securities P. Ltd (Share Broker). There was an interse transfer of 22,500 (0.02%) shares between promoters on 30th March, 2016, 22,500 shares were debited from the demat account of GPP Enterprises LLP (Seller) but 15,000 shares were not credited in the demat account of Mr. Rajiv Poddar (Acquirer) and 7,500 shares were not credited in the demat account of Mrs. Shyamlata Poddar (Acquirer) as on 31st March, 2016. The said 22500 Shares are included in the respective accounts of the Promoters and not included in Bodies Corporate Head i.e 'No. of Shareholders and No. of Fully Paid up Equity Shares held Column (since it is held in the name of SSM Securities P. Ltd). On 4th April, 2016 the said shares were credited to Mr. Rajiv Poddar (15,000 Shares) & Mrs.. Shyamlata Poddar (7,500 Shares) and debited from SSM Securities P. Ltd. (22,500 Shares).

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	% change in share-holding during the year
1	Rajiv A Poddar *	906500	0.94	-	921500	0.95	-	0.01
2	Vijaylaxmi Arvindkumar Poddar	1528895	1.58	-	1705895	1.77	-	0.19
3	Rajiv Arvind Kumar Poddar	163290	0.17	-	163290	0.17	-	-
4	Rameshkumar Dharaprasad Poddar	100	-	-	100	-	-	-
5	Arvindkumar Mahabirprasad Poddar	500	-	-	500	-	-	-
6	AKP Enterprises LLP	23998445	24.83	-	23998445	24.83	-	-
7	RAP Enterprises LLP	23967995	24.80	-	23967995	24.80	-	-
8	Khusbhoo Rajiv Poddar	3796500	3.93	-	3796500	3.93	-	-
9	GPP Enterprises LLP	333100	0.34	-	100	-	-	(0.34)
10	Rishabh Sureshkumar Poddar	718915	0.74	-	718915	0.74	-	-
11	Shyamlata Sureshkumar Poddar *	580675	0.60	-	676675	0.70	-	0.10
12	VKP Enterprises LLP	125	-	-	125	-	-	-
13	TMP Enterprises LLP	350125	0.37	-	395125	0.41	-	0.04
14	PKP Enterprises LLP	125	-	-	125	-	-	-
15	HSP Enterprises LLP	125	-	-	125	-	-	-
16	DPP Enterprises LLP	125	-	-	125	-	-	-
17	Pawankumar Dharaprasad Poddar	100	-	-	100	-	-	-
18	Ashadevi Rameshkumar Poddar	100	-	-	100	-	-	-
19	Avnish Pawankumar Poddar	100	-	-	100	-	-	-
20	Dharaprasad Ramrikhdas Poddar	100	-	-	100	-	-	-
21	Madhudevi Pawankumar Poddar	100	-	-	100	-	-	-
22	Vibhadevi Shrikishan Poddar	100	-	-	100	-	-	-
23	Shrikishan Dharaprasad Poddar	100	-	-	100	-	-	-
24	Sangeeta Pramodkumar Poddar	100	-	-	100	-	-	-
25	Harshit Shrikishan Poddar	100	-	-	100	-	-	-
26	Ankit Pramodkumar Poddar	100	-	-	100	-	-	-
27	Anurag Pramodkumar Poddar	100	-	-	100	-	-	-
28	Geetadevi Dharaprasad Poddar	100	-	-	100	-	-	-
29	Gaurav Pramod Poddar	100	-	-	100	-	-	-
30	Abhishek S Poddar	100	-	-	100	-	-	-
31	Gaurav Poddar (Karta of Pramod Poddar HUF)	100	-	-	100	-	-	-
32	Dhara Prasad Poddar (Karta of Dharaprasad & Sons HUF)	100	-	-	100	-	-	-
33	Dhara Prasad Poddar (Karta of Dharaprasad Promodkumar HUF)	100	-	-	100	-	-	-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	% change in share-holding during the year
34	Dhara Prasad Poddar (Karta of Daraprasad Poddar & Co HUF)	100	-	-	100	-	-	-
35	Ramesh Kumar Poddar (Karta of Rameshkumar Poddar & Bros. HUF)	100	-	-	100	-	-	-
36	Ramesh Kumar Poddar (Karta of Rameshkumar Poddar & Co. HUF)	100	-	-	100	-	-	-
37	Pawan Kumar Poddar (Karta of Pawan Kumar Poddar & Co. HUF)	100	-	-	100	-	-	-
38	Shrikishan Poddar (Karta of Shrikishan Poddar HUF)	100	-	-	100	-	-	-
39	Balgopal Holding & Traders Ltd	50	-	-	50	-	-	-
40	Poddar Brothers Investments Private Limited	50	-	-	50	-	-	-
41	S P Finance and Trading Ltd	50	-	-	50	-	-	-
42	Vishal Furnishings Ltd	50	-	-	50	-	-	-
43	Sanchna Trading & Finance Ltd	35	-	-	35	-	-	-
44	S P Investrade (India) Limited	35	-	-	35	-	-	-
	TOTAL	**56348010**	**58.30**	**-**	**56348010**	**58.30**	**-**	**-**

*Note : As on 31st March, 2016, total Promoter Share Holding was 5,63,48,010 (58.30%) is inclusive of 22,500 shares which is held in the name of SSM Securities P. Ltd (Share Broker). There was an interse transfer of 22,500 (0.02%) shares between promoters on 30th March, 2016, 22,500 shares were debited from the demat account of GPP Enterprises LLP (Seller) but 15,000 shares were not credited in the demat account of Mr. Rajiv Poddar (Acquirer) and 7,500 shares were not credited in the demat account of Mrs. Shyamlata Poddar (Acquirer) as on 31st March, 2016. The said 22500 Shares are included in the respective accounts of the Promoters and not included in Bodies Corporate Head i.e 'No. of Shareholders and No. of Fully Paid up Equity Shares held Column (since it is held in the name of SSM Securities P. Ltd). On 4th April, 2016 the said shares were credited to Mr. Rajiv Poddar (15,000 Shares) & Mrs. Shyamlata Poddar (7,500 Shares) and debited from SSM Securities P. Ltd. (22,500 Shares).

iii) Change in Promoters' Shareholding (Please specify, if there is no change

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
At the beginning of the year	56348010	58.30		
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (eg. Allotment/transfer/bonus/sweat equity etc):	***	***	***	***
At the end of the year	56348010	58.30		

***** During the year there are inter-se transfers among the promoters.**

Inter-se Transfer among Promoters								
Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01/04/15)/ end of year (31/03/16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Vijaylaxmi Poddar	1528895	1.58	1-Apr-15	177000	Transfer (Inter se transfers)		
				31-Mar-16			1705895	1.76
2	Rajiv Poddar	1069790	1.11	1-Apr-15	15000	Transfer (Inter se transfers)		
				31-Mar-16			1084790	1.12
3	Shyamlata Poddar	580675	0.60	1-Apr-15	96000	Transfer (Inter se transfers)		
				31-Mar-16			676675	0.70
4	TMP Enterprises LLP	350125	0.36	1-Apr-15	45000	Transfer (Inter se transfers)		
				31-Mar-16			395125	0.41
5	GPP Enterprises LLP	333100	0.34	1-Apr-15	-333000	Transfer (Inter se transfers)		
				31-Mar-16			100	0.00

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters, and Holders of GDRs and ADRs)

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01/04/15)/ end of year (31/03/16)	% of total shares of the Company				No.of Shares	% of total shares of the Company
1	HDFC TRUSTEE COMPANY LIMITED-HDFC EQUITY FUND	4138266	4.28	1-Apr-15				
		4138266	4.28	31-Mar-16				
2	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAPOPPORTUNITIES FUND	2420685	2.50	1-Apr-15				
		2420685	2.50	31-Mar-16				
3	ICICI PRUDENTIAL VALUE DISCOVERY FUND	1792849	1.85	1-Apr-15				
		1792849	1.85	31-Mar-16				
4	AMANSA HOLDINGS PRIVATE LIMITED	1750000	1.81	1-Apr-15				
				28-Aug-15	44571	Transfer	1794571	1.86
				4-Sep-15	353458	Transfer	2148029	2.22
				29-Jan-16	1661	Transfer	2149690	2.22
				5-Feb-16	489384	Transfer	2639074	2.73
				18-Mar-16	293210	Transfer	2932284	3.03
		2932284	3.03	31-Mar-16				
5	FRANKLIN TEMPLETON INVESTMENT FUNDS	1644220	1.70	1-Apr-15				
				10-Apr-15	(933462)	Transfer	710758	0.74
				17-Apr-15	(195254)	Transfer	515504	0.53
				31-Jul-15	(210560)	Transfer	304944	0.32
				7-Aug-15	(75225)	Transfer	229719	0.24
				14-Aug-15	(22538)	Transfer	207181	0.21
				6-Nov-15	127250	Transfer	334431	0.35
		334431	0.35	31-Mar-16				
6	CREDIT SUISSE (SINGAPORE) LIMITED	1211568	1.25	1-Apr-15				
				22-May-15	(50000)	Transfer	1161568	1.20
				29-May-15	(210000)	Transfer	951568	0.98
				5-Jun-15	(11000)	Transfer	940568	0.97
				26-Jun-15	(90568)	Transfer	850000	0.88
				30-Jun-15	(100000)	Transfer	750000	0.78
				10-Jul-15	(119453)	Transfer	630547	0.65
				21-Aug-15	(547)	Transfer	630000	0.65
				30-Oct-15	690	Transfer	630690	0.65
				6-Nov-15	(629441)	Transfer	1249	0.00
				11-Dec-15	(71)	Transfer	1178	0.00
				8-Jan-16	(1178)	Transfer	0	0.00
		0	0.00	31-Mar-16				
7	LATA BHANSHALI	1200425	1.24	1-Apr-15				
				17-Apr-15	(31000)	Transfer	1169425	1.21
				6-Nov-15	(640000)	Transfer	529425	0.55
				13-Nov-15	(200655)	Transfer	328770	0.34
				15-Jan-16	(100000)	Transfer	228770	0.24
				22-Jan-16	(140000)	Transfer	88770	0.09
				11-Mar-16	(3191)	Transfer	85579	0.09
		85579	0.09	31-Mar-16				
8	GOVERNMENT PENSION FUND GLOBAL	1000800	1.04	1-Apr-15				
				31-Mar-16	10424	Transfer	1011224	1.05
		1011224	1.05	31-Mar-16				
9	FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA PRIMA PLUS	790000	0.82	1-Apr-15				
				17-Jul-15	46541	Transfer	836541	0.87
				24-Jul-15	(106541)	Transfer	730000	0.76
				9-Oct-15	19230	Transfer	749230	0.78
				16-Oct-15	100770	Transfer	850000	0.88
				8-Jan-16	1465	Transfer	851465	0.88
				15-Jan-16	34702	Transfer	886167	0.92
				29-Jan-16	50065	Transfer	936232	0.97
				5-Feb-16	13768	Transfer	950000	0.98
				12-Feb-16	64859	Transfer	1014859	1.05
				19-Feb-16	15141	Transfer	1030000	1.07
		1030000	1.07	31-Mar-16				

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01/04/15)/ end of year (31/03/16)	% of total shares of the Company				No.of Shares	% of total shares of the Company
10	SMALLER COMPANIES PORTFOLIO OF THE GENESIS EMERGING MARKETS OPPORTUNITIES FUND LIMITED	738657	0.76	1-Apr-15				
				15-May-15	66694	Transfer	805351	0.83
				29-May-15	50000	Transfer	855351	0.88
				5-Jun-15	56876	Transfer	912227	0.94
				11-Dec-15	10000	Transfer	922227	0.95
				18-Dec-15	16764	Transfer	938991	0.97
				25-Dec-15	12551	Transfer	951542	0.98
				15-Jan-16	26552	Transfer	978094	1.01
				22-Jan-16	48708	Transfer	1026802	1.06
				29-Jan-19	7218	Transfer	1034020	1.07
		1034020	1.07	31-Mar-16				
11	TEMPLETON GLOBAL INVESTMENT TRUST - TEMPLETONEMERGING MARKETS SMALL CAP FUND	717833	0.74	1-Apr-15				
		717833	0.74	31-Mar-16				
12	SOMERSET SMALL MID CAP EM ALL COUNTRY FUND LLC	0	0.00	1-Apr-15				
				29-May-15	56251	Transfer	56251	0.06
				5-Jun-15	208134	Transfer	264385	0.27
				26-Jun-15	113847	Transfer	378232	0.39
				10-Jul-15	116246	Transfer	494478	0.51
				17-Jul-15	78902	Transfer	573380	0.59
				24-Jul-15	183229	Transfer	756609	0.78
				29-Jan-16	(21137)	Transfer	735472	0.76
				5-Feb-16	(10000)	Transfer	725472	0.75
		725472	0.75	31-Mar-16				
13	MAWER INVESTMENT MANAGEMENT LTD. A/C MAWER GLOBAL SMALL CAP FUND	0	0.00	1-Apr-15				
				6-Nov-15	1037884	Transfer	1037884	1.07
				13-Nov-15	550508	Transfer	1588392	1.64
				20-Nov-15	7936	Transfer	1596328	1.65
				27-Nov-15	3058	Transfer	1599386	1.65
				4-Dec-15	26228	Transfer	1625614	1.68
				11-Dec-15	7350	Transfer	1632964	1.69
				18-Dec-15	9317	Transfer	1642281	1.70
				25-Dec-15	19174	Transfer	1661455	1.72
				31-Dec-15	11596	Transfer	1673051	1.73
				8-Jan-16	7111	Transfer	1680162	1.74
				15-Jan-16	86010	Transfer	1766172	1.83
				22-Jan-16	120833	Transfer	1887005	1.95
				29-Jan-16	8793	Transfer	1895798	1.96
				5-Feb-16	59115	Transfer	1954913	2.02
				12-Feb-16	6654	Transfer	1961567	2.03
				19-Feb-16	7867	Transfer	1969434	2.04
				26-Feb-16	37434	Transfer	2006868	2.08
				4-Mar-16	4395	Transfer	2011263	2.08
				11-Mar-16	8506	Transfer	2019769	2.09
				18-Mar-16	39368	Transfer	2059137	2.13
				31-Mar-16	1392	Transfer	2060529	2.13
		2060529	2.13	31-Mar-16				

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01/04/15)/ end of year (31/03/16)	% of total shares of the Company				No.of Shares	% of total shares of the Company
14	SEAFARER OVERSEAS GROWTH AND INCOME FUND	0	0.00	1-Apr-15				
				17-Apr-15	103748	Transfer	103748	0.11
				1-May-15	121547	Transfer	225295	0.23
				8-May-15	16020	Transfer	241315	0.25
				15-May-15	85629	Transfer	326944	0.34
				29-May-15	25000	Transfer	351944	0.36
				12-Jun-15	43056	Transfer	395000	0.41
				19-Jun-15	215000	Transfer	610000	0.63
				26-Jun-15	40000	Transfer	650000	0.67
				10-Jul-15	30000	Transfer	680000	0.70
				17-Jul-15	565	Transfer	680565	0.70
				31-Jul-15	44435	Transfer	725000	0.75
				7-Aug-15	86200	Transfer	811200	0.84
				14-Aug-15	113038	Transfer	924238	0.96
				21-Aug-15	25762	Transfer	950000	0.98
				28-Aug-15	149978	Transfer	1099978	1.14
				4-Sep-15	19334	Transfer	1119312	1.16
				11-Sep-15	3352	Transfer	1122664	1.16
				30-Sep-15	42336	Transfer	1165000	1.21
				31-Dec-15	19251	Transfer	1184251	1.23
				8-Jan-16	7759	Transfer	1192010	1.23
				15-Jan-16	7990	Transfer	1200000	1.24
				12-Feb-16	17912	Transfer	1217912	1.26
				19-Feb-16	2088	Transfer	1220000	1.26
				26-Feb-16	80000	Transfer	1300000	1.34
				4-Mar-16	4305	Transfer	1304305	1.35
		1304305	1.35	31-Mar-16				
14	LAZARD EMERGING MARKETS SMALL CAP EQUITY TRUST	0	0.00	1-Apr-15				
				10-Apr-15	450000	Transfer	450000	0.47
				17-Apr-15	293352	Transfer	743352	0.77
				22-May-15	138660	Transfer	882012	0.91
		882012	0.91	31-Mar-16				

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding doing the year	
		No. of Shares at the beginning (01/04/15)/ end of year (31/03/16)	% of total shares of the Company				No.of Shares	% of total shares of the Company
A	**DIRECTORS**							
1	Arvind Poddar	500	0.00	1-Apr-15	0	-		
	Chairman & Managing Director			31-Mar-16			500	0.00
2	Rajiv Poddar*	1069790	1.11	1-Apr-15				
	Joint Managing Director			30-Mar-16	15000	Transfer (Inter se transfers)	1084790	1.12
				31-Mar-16			1084790	1.12
3	Vijaylaxmi Poddar	1528895	1.58	1-Apr-15				
	Director			24-July-15	172000	Transfer (Inter se transfers)	1700895	1.76
				18-Sept-15	5000		1705895	1.76
				31-Mar-16				
4	Ramesh Poddar	100	0	1-Apr-15	0	-		
	Director			31-Mar-16			100	0
5	Vipul Shah	0	0	1-Apr-15	0	-		
	Whole Time Director (Director & Company Secretary)			31-Mar-16			0	0
6	Sachin Nath Chaturvedi	0	0	1-Apr-15	0	-		
	Independent Director			31-Mar-16			0	0
7	Laxmidas Merchant	0	0	1-Apr-15	0	-		
	Independent Director			31-Mar-16			0	0
8	Sanjay Asher	0	0	1-Apr-15	0	-		

Sr. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding doing the year	
		No. of Shares at the beginning (01/04/15)/ end of year (31/03/16)	% of total shares of the Company				No.of Shares	% of total shares of the Company
	Independent Director			31-Mar-16			0	0
9	Ashok Saraf	0	0	1-Apr-15	0	-		
	Independent Director			31-Mar-16			0	0
10	Khurshed Doongaji	0	0	1-Apr-15	0	-		
	Independent Director			31-Mar-16			0	0
B	**Key Managerial Personnel (KMP's)**							
1	Basantkumar Bansal	0	0	1-Apr-15	0	-		
	Director (Finance)			31-Mar-16			0	0

*Note :As on 31st March, 2016, total Promoter Share Holding was 5,63,48,010 (58.30%) is inclusive of 22,500 shares which is held in the name of SSM Securities P. Ltd (Share Broker). There was an interse transfer of 22,500 (0.02%) shares between promoters on 30th March, 2016, 22,500 shares were debited from the demat account of GPP Enterprises LLP (Seller) but 15,000 shares were not credited in the demat account of Mr. Rajiv Poddar (Acquirer) and 7,500 shares were not credited in the demat account of Mrs. Shyamlata Poddar (Acquirer) as on 31st March, 2016. The said 22500 Shares are included in the respective accounts of the Promoters and not included in Bodies Corporate Head i.e 'No. of Shareholders and No. of Fully Paid up Equity Shares held Column (since it is held in the name of SSM Securities P. Ltd). . On 4th April, 2016 the said shares were credited to Mr. Rajiv Poddar (15,000 Shares) & Mrs. Shyamlata Poddar (7,500 Shares) and debited from SSM Securities P. Ltd. (22,500 Shares).

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment for financial year 2015-16

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
	Rs. in Crores			
i) Principal Amount	1,969.80	388.05	-	2,357.85
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.16	0.02	-	1.18
Total (i+ii+iii)	1,970.96	388.07	-	2,359.03
Change in Indebtedness during the financial year				
* Addition	1,734.58	738.01	-	2,472.59
* Reduction	1,982.53	951.86	-	2,934.39
Net Change	(247.95)	(213.85)	-	(461.80)
Indebtedness at the end the financial year	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
i) Principal Amount	1,722.16	174.21	-	1,896.37
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.85	-	-	0.85
Total (i+ii+iii)	1,723.01	174.21	-	1,897.22

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of Directors				
		Mr. Arvind Poddar	Mr. Rajiv Poddar	Mrs. Vijaylaxmi Poddar (Upto 08/08/15)	Mr. Vipul Shah	Total
		(Rs. In Lacs)				
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	525.00	420.00	135.77	34.69	1115.46
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.24	0.41	0.41	0.41	2.47
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission					
	- as % of profit	2700.0	1920.00	319.35	-	4939.35
		3.12%	2.22%	0.37%	-	5.71%
	others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	3226.24	2340.41	455.53	35.10	6057.28
	Ceiling as per the Act	Rs. 8665.21 Lacs (being 10% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013				

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration Independent Directors	Name of Directors						Total
		Sachin Nath Chaturvedi	Ashok Saraf	Sanjay Asher	Khurshed Doongaji	Laxmidas Merchant	Vijaylaxmi Poddar	
		Total amount (Rs. In Lacs)						
	Fee for attending board / committee meetings	3.05	1.45	0.90	2.70	1.40	1.20	10.70
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	3.05	1.45	0.90	2.70	1.40	1.20	10.70
	Other Non-Executive Directors	**Ramesh Poddar**						**Total**
	Fee for attending board / committee meetings	0.50						0.50
	Commission	-						-
	Others, please specify	-						-
	Total (2)	0.50						0.50
	Total (B)= 1+2	3.55	1.45	0.90	2.70	1.40	1.20	11.20
	Total Managerial Remuneration							6068.48
	Overall Ceiling as per the Act	Rs. 9531.74 Lacs (being 11% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013						

C. Remuneration to Key Managerial Personnel Other than MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Basantkumar Bansal	Total
		(Rs. In Lacs)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	102.99	102.99
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.59	0.59
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	others, specify	-	-
5	Others, please specify	-	-
	Total	103.58	103.58

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

ANNEXURE - VI

i) The percentage increase in remuneration of each Director, Chief Financial Officer, and Company Secretary during the financial year 15-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 15-16 and comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company as under :

Sr. No.	Name of the Director/KMP and Designation	Remuneration of Director /KMP for financial year 2015-16 (Rs. In Lacs)	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees 2015-16	Comparison of the Remuneration of the KMP against the performance of the Company
1	Arvind Poddar	3299.66	18.53	906.50	Total Revenue decreased by 12.88%, Profit After Tax increased by 16.13%
	Chairman & Managing Director				
2	Vijaylaxmi Poddar	466.87	-63.14	128.26	
	Executive Director (upto 08.08.2015)				
3	Rajiv Poddar	2409.75	22.31	662.02	
	Joint Managing Director				
4	Vipul Shah	38.48	12.98	10.57	
	Director & Company Secretary				
5	Rameshkumar Poddar	0.50	66.67	0.14	
	Non-Executive Director				
6	Sachin Nath Chaturvedi	3.05	93.04	0.84	
	Non-Executive Director				
7	Khursed Doongaji	2.70	92.86	0.74	
	Non-Executive Director				
8	Sanjay Asher	0.90	200.00	0.25	
	Non-Executive Director				
9	Ashok Saraf	1.45	383.33	0.40	
	Non-Executive Director				
10	Laxmidas Merchant	1.40	133.33	0.38	
	Non-Executive Director				
11	Basantkumar Bansal	114.73	9.56	31.52	
	Director (Finance)				

ii) The median remuneration of employees of the Company during the financial year was Rs.3.64 lacs;

iii) In the financial year, there was an increase of 12% in the median remuneration of employees ;

iv) There were 2,598 permanent employees on the rolls of the Company as on 31st March, 2016

v) Relationship between average increase in remuneration and Company performance : Total Revenue decreased by 12.88%, Profit After Tax increased by 16.13% for the financial year 31st March,2016 where as average increase in median remuneration was 6.17%**.** The average increase in median remuneration was in line with the performance of the Company.

vi) Total remuneration of Key Managerial Personnel was increased by 2.75%, Total Revenue decreased by 12.88%, Profit After Tax increased by 16.13%.

vii) a. Variation in Market Capitalisation of the Company : The market Capitalisation as on 31st March, 2016 was Rs.6,084 Crores (Rs. 6,244 as on 31st March,2015)

b. Price Earning ratio of the Company was Rs.10.72 as at 31st March, 2016 and was Rs.13.03 as on 31st March, 2015.

c. The Company has not made any public offer in the recent past and accordingly, comparison of Public Offer Price and the Current Market Price of the Company's shares will not be relevant.

viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 6.17% where an increase in managerial remuneration for the same financial year was 2.76%.

ix) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Not Applicable; and

xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board of Directors

Mumbai,
Dated :18th May, 2016

ARVIND PODDAR
Chairman & Managing Director

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2015-2016

(As required under Regulation 34(3) read with schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter "Listing Regulation")

Company's Philosophy on Corporate Governance

Balkrishna Industries Limited believes that good Corporate Governance is essential to achieve long-term corporate goals and to enhance stakeholders' value. Models of the Corporate Governance code are many and different environments will need specific solutions to meet the demands of legal compliances and regulations. However, there is a universal principle, which percolates through the elements of governance, which calls for the affairs of the Company to be regulated in a manner that is transparent, ethical and accountable. In this pursuit, the Company is committed to transparency in all its dealing with its shareholders and others and to provide high quality products and services to its customers and places uncompromising emphasis on integrity and regulatory compliances. The basic philosophy of the Company has been to achieve business excellence, to enhance shareholders value, keeping in view the needs and the interest of the shareholders. In addition to compliance with regulatory requirements, Balkrishna Industries Limited endeavors to ensure that highest standards of ethical and responsible conduct are met throughout the organization.

BOARD OF DIRECTORS

The Company at the end of the year on 31st March 2016 has Ten Directors comprising of; Non-Executive & Non-Independent Directors, Non- Executive & Independent Directors and Whole Time Directors (Managing Director, Joint Managing Director and Director & Company Secretary).

The Company is fully compliant with the Corporate Governance norms in terms of constitution of the Board. The Chairman of the Board is Executive Chairman and is a Promoter of the Company. The number of the Independent Directors are 50% of the total number of Directors and the numbers of the Non-Executive Directors are 70% of the total number of Directors.

The constitution of the Board during the course of the year ended 31st March 2016.

Name of the Directors	Category of Directors	Board meetings attended during the year	Whether attended last Annual General Meeting	No. of Directorships held in other public companies as on 31 March, 2016	No. of Committee positions held in other public companies as on 31 March, 2016
Mr. Arvind Poddar	Chairman & Managing Director	6	Y	-	-
Mr. Rameshkumar Poddar	Non-Executive & Non- Independent Director	2	N	1	1
Mr. Sachin Nath Chaturvedi	Non-Executive & Independent Director	6	Y	4	6
Mr. Khurshed Doongaji	Non-Executive & Independent Director	6	Y	1	2
Mr. Sanjay Asher	Non-Executive & Independent Director	4	N	9	10
Mr. Ashok Saraf	Non-Executive & Independent Director	6	Y	-	-
Mr. Laxmidas Merchant	Non-Executive & Independent Director	6	N	2	-
Mrs. Vijaylaxmi Poddar**	Non-Executive & Non- Independent Director	6	N	2	-
Mr. Rajiv Poddar	Joint Managing Director	6	Y	-	-
Mr. Vipul Shah	Director & Company Secretary	6	Y	2	-

As required under Regulation 26(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Chairmanship and Memberships in Audit Committee and Stakeholders' Relationship Committee are only considered. Other directorships do not include directorships held in private limited companies and companies under Section 8 of the Companies Act, 2013. The Company is in compliance with the composition of Board of Directors in terms of the Listing Regulations.

** Mrs. Vijaylaxmi Poddar served as an Executive Director till 08.08.2015 and continues to serve as a Non- Executive Director w.e.f. 09.08.2015 .

Mr. Arvind Poddar, Mrs. Vijaylaxmi Poddar and Mr. Rajiv Poddar are relatives of each other. None of other Directors are related to any other Director on the Board.

Board Meetings

The Company held six Board Meetings during the financial year 2015-2016 and the gap between two meetings was well within the maximum period mentioned under section 173 of the Companies Act, 2013 and the Listing Regulation. The meetings were held on 14th May, 2015, 8th August, 2015, 9th November, 2015, 13th February, 2016 , 9th March, 2016 and 29th March, 2016 . All material information was circulated to the directors before the meeting or placed at the meeting , including information required to be made available to the Board as prescribed under Part A of Schedule II of Sub-Regulation 7 of Regulation 17 of the Listing Regulations.

In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting.

Apart from payment of sitting fees, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors during the year.

Shares held by Non – Executive Directors as on 31.03.2016:

Name of Non- Executive Director	No. of Shares held of Rs. 2 Each
Mr. Rameshkumar Poddar	100
Mrs. Vijaylaxmi Poddar (w.e.f. 09.08.2015)	1705895

Post Meeting Mechanism

The important decisions taken at the Board/Board Committee meetings are communicated to the concerned departments/divisions.

Board Support : The Company Secretary is on Board and advises the Board on Compliances with applicable laws and governance.

Meeting of Independent Directors:

During the year, separate meeting of the Independent Directors was held on 29th March, 2016 without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting.

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulation, a separate meeting of the Independent Directors of the Company was held to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively discharge their duties.

Evaluation of the Board's Performance:

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

Familiarisation Programmes for Board Members:

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program including the presentation from the Managing Director on the Company's manufacturing, marketing, finance and other important aspects.

The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. The induction for Independent Directors include interactive sessions with Managing Director, Joint Managing Director, Whole Time Director & Business and Functional Heads, visit to the manufacturing site etc. On the matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion with the Board members.

The details of such familiarization programmes have been displayed on the company's website https://cloud.bkt-tires.com/bkt-financials/others/familiarisation-programme-for-independent-directors.pdf .

Compliance with the Code of Conduct:

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management Personnel. The said Code has been communicated to the Directors and the Members of the Senior Management. The Code has also been posted on the Company's website https://cloud.bkt-tires.com/bkt-financials/others/code-of-conduct.pdf.

The Chairman & Managing Director has given a declaration that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code during the year 2015-2016.

Prohibition of Insider Trading:

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("The PIT Regulations"). The PIT Regulations has come into effect from May 15, 2015 and replaced the earlier Regulations. The object of the PIT Regulations is to curb the practice of insider trading in the securities of a listed company.

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") in accordance with the requirements of the PIT Regulations.

The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. Mr. Vipul Shah is the Compliance Officer for monitoring adherence to the said Regulations. The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code is displayed on the Company's website viz. https://cloud.bkt-tires.com/bkt-financials/others/code-of-practices-and-procedures-for-fair-disclosure-of-unpublished-price-sensitive-information.pdf.

COMMITTEES OF THE BOARD

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee meetings are placed before the Board for noting.

The Board currently has the following Committees:

Audit Committee:

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013, as applicable, besides other terms as referred by the Board of Directors.

The Audit Committee comprises of two Independent Non-Executive Directors viz. Mr. Sachin Nath Chaturvedi (Chairman), Mr. Khurshed Doongaji and Joint Managing Director Mr. Rajiv Poddar.

All the members are financially literate and the Chairman, Mr. Sachin Nath Chaturvedi is a Chartered Accountant. The Director & Company Secretary, Mr. Vipul Shah acts as the Secretary of the Committee. The Chief Financial Officer, President Commercial, Assistant General Manager (Accounts), the representatives of the Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings.

The Audit Committee met four times during the year on 14th May, 2015, 08th August, 2015, 9th November, 2015 and 13th February, 2016 where all the members of the Committee were present for the said meetings. The maximum gap between any two meetings was less than one hundred and twenty days.

The terms of reference of Audit Committee, inter alia consists

1) To review and recommend the quarterly financial statements of the company;
2) To review reports of the Internal Auditors quarterly;
3) To review weaknesses in internal controls reported by Internal as well as the Statutory Auditors.

The scope of activities of the Audit Committee is prescribed in Part C of Schedule II of this Regulation. Audit Committee also mandatorily reviews the information prescribed under Part C of Schedule III.

In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

The Chairman of the Audit committee was present at the last Annual General Meeting held on 11th July, 2015.

Nomination and Remuneration Committee:

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013, besides other terms as referred by the Board of Directors.

The Nomination and Remuneration Committee comprises of three Non-Executive Independent Directors comprising of Mr. Sachin Nath Chaturvedi (Chairman), Mr. Khurshed Doongaji and Mr. Ashok Saraf.

The terms of reference of the Nomination and Remuneration Committee, inter alia consists

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and to recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

During the financial year 2015-2016 Nomination and Remuneration Committee Meeting was held on 14th May, 2015 where all the members of the Committee were present for the said meeting.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting held on 11th July, 2015.

Performance Evaluation

The criteria for performance evaluation covers the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Directors who are subject to evaluation had not participated.

Remuneration of Directors

Remuneration Policy

The Company follows a policy on remuneration of Directors and Senior Management Employees.

Remuneration to Non-Executive Directors

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees for participation in the Board/Committee Meetings as permissible under Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

Remuneration to Managing/Joint Managing / Executive/Whole-Time Director:

Subject to the approval of the Board and of the Company in its General Meeting and such other approval as may be necessary, Managing/Joint Managing/Executive/Whole-Time Director are paid remuneration as per their terms of appointments. The remuneration structure comprises of salary, allowances, commissions, perquisites and employee benefits, if any.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee fixes remuneration of Managing/Joint Managing / Executive/Whole-Time Director and thereafter the same is approved by the shareholders at a General Meeting.

The Board of Directors takes all decisions regarding the remuneration of Non-executive Directors on Recommendations made by Nomination & Remuneration Committee

The details of the remuneration of Directors for the year are given below:

(in Rupees)

Name of the Director	Salary	Perquisites and allowances #	Commission	Sitting Fees	Total	Service Contract
Mr. Arvind Poddar	3,00,00,000	2,99,66,107	27,00,00,000	-	32,99,66,107	01.08.2011 To 31.07.2016
Mr. Rameshkumar Poddar	-	-	-	50,000	50,000	*
Mr. Sachin Nath Chaturvedi	-	-	-	3,05,000	3,05,000	**
Mr. Khurshed Doongaji	-	-	-	2,70,000	2,70,000	**
Mr. Sanjay Asher	-	-	-	90,000	90,000	**
Mr. Ashok Saraf	-	-	-	1,45,000	1,45,000	**
Mr. Laxmidas Merchant	-	-	-	1,40,000	1,40,000	**
Mrs. Vijaylaxmi Poddar (Remuneration upto 08.08.2015)	63,87,097	82,43,922	3,19,35,484	1,20,000	4,66,86,503	Upto 08.08.2015 *** / *
Mr. Rajiv Poddar	2,40,00,000	2,49,75,077	19,20,00,000	-	24,09,75,077	22.01.2014 To 21.01.2019
Mr. Vipul Shah	15,15,360	23,32,934	-	-	38,48,294	11.02.2012 To 10.02.2017*

* Retire by rotation

** The Term of appointment is for five consecutive years from 2nd August, 2014 to 1st August, 2019, as approved in the 52nd Annual General Meeting held on 13th September, 2014

*** Mrs. Vijaylaxmi Poddar served as an Executive Director till 08.08.2015 and continues to serve as a Non- Executive Director w.e.f. 09.08.2015 .

\# Perquisites and Allowances also include Contribution to Provident Fund and other Funds and Retirement Benefits.

The Company does not have Stock Option Scheme and Pension Scheme.

Notice Period

The Notice Period for the Managing /Joint Managing/Executive/Whole-Time Director is one month from either side for resigning/ terminating from the services of the Company.

Severance Fees

No Severance Fees has been paid or payable by the Company.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee deals with all matters relating to transfer of shares, issue of duplicate/new shares, subdivided and consolidated share certificates, demat/remat, Shareholders'/Investors' Grievance and its redressal.

The Committee comprises of Mr. Sachin Nath Chaturvedi (Chairman), Mr. Khurshed Doongaji and Mr. Vipul Shah - Members of the Committee. Mr. Vipul Shah, the Director & Company Secretary acts as the Compliance Officer of the Committee.

The above committee has met for four times during the financial year ended 31st March, 2016. The meetings were held on 14th May, 2015, 8th August, 2015, 9th November, 2015 and 13th February, 2016 where all the members of the Committee were present for the said meetings .

During the year, No Complaints/ queries were received. There was no complaint pending as on 31st March, 2016.

As at 31st March 2016, there was no Share Transfer pending for Registration for more than 15 days.

Corporate Social Responsibility (CSR) Committee (Renamed Corporate Social Responsibility & Governance Committee)

The Committee oversees corporate social responsibility, corporate governance and other business related matters referred by the Board or the Chairman, as and when deemed necessary, for the consideration and recommendation of the Committee. This Committee also discharges the role of Corporate Social Responsibility Committee under Section 135 of the Companies Act, 2013 which includes formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company as per Schedule VII to the Companies Act, 2013; recommending the amount of expenditure to be incurred; and monitoring the CSR Policy of the Company.

For the financial year 2015-2016 the CSR Committee comprised of Mrs. Vijaylaxmi Poddar (Chairperson), Mr. Arvind Poddar (Managing Director), Mr. Rajiv Poddar (Joint Managing Director) and Mr. Sachin Nath Chaturvedi (Independent Director).

The nomenclature of Corporate Social Responsibility Committee has been changed to Corporate Social Responsibility & Governance Committee w.e.f. 18th May, 2016. The committee is reconstituted which comprises of – Mr. Sachin Nath Chaturvedi (Chairman) Mr. Arvind Poddar (Member), Mr. Laxmidas Merchant (Member), Mr. Sanjay Asher (Member), Mr. Khurshed Doongaji (Member) and Mrs. Vijaylaxmi Poddar (Member).

The terms of reference of the Corporate Social Responsibility & Governance Committee, inter alia consists

1. To frame the CSR policy and its review from time to time.
2. To ensure effective implementation and monitoring of CSR activities as per the approved policy, plans and budget.
3. To ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.
4. To frame Business Responsibility Reporting policy and its review from time to time.
5. To ensure Business Responsibility Report is prepared as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015
6. To ensure effective implementation and monitoring of Business Responsibility Reporting activities.

   The above committee has met four times during the financial year ended 31st March, 2016. The meetings were held on 14th May, 2015, 8th August, 2015, 9th November, 2015 and 13th February, 2016 where all the members of the Committee were present for the said meetings .

General Body Meeting:

Details of the last three Annual General Meetings:

Year	Location	Date	Time
2012-2013 51ST AGM	Plot No. G-4/1, MIDC, Tarapur, Boisar- 401506, Dist Thane, Maharashtra	21/09/2013	11:30 a.m.
2013-2014 52ND AGM	Hotel Sarovar Residency, Near MPCB Office, Chitralaya, Tarapur, Boisar - 401506	13/09/2014	11:30 a.m.
2014-2015 53RD AGM	Hotel Sarovar Residency, Near MPCB Office, Chitralaya, Tarapur, Boisar - 401506	11/07/2015	11:30 a.m.

Special Resolution passed in the Previous 3 Annual General Meetings:

At the 51st Annual General Meeting held on 21st September, 2013, No Special Resolutions were passed.

At the 52nd Annual General meeting held on 13th September, 2014, Two Special Resolutions were passed, One Special Resolution was passed pertaining to consent to the Board pursuant to Section 180(1)(c) and other applicable provisions of the Companies Act, 2013 to borrow money/moneys (apart from the ordinary loans obtained or to be obtain from the Company's bankers in the ordinary course

of business) together with the moneys already borrowed by the Company in excess of the aggregate of the paid up share capital of the Company and its free reserves, provided that maximum amount of the moneys so borrowed by the Board and remaining outstanding shall not at any time, exceed Rs.5000 Crores and Second Special Resolutions was passed pertaining to consent to the Board pursuant to Section 180(1)(a) of the Companies Act, 2013 to create such charges, mortgages and hypothecation on such movable and immovable properties of the Company to secure borrowings from Banks/Financial Institutions not exceeding the Limit of Rs. 5000 Crores at any time.

At the 53rd Annual General Meeting held on 11th July, 2015, No Special Resolutions were passed.

Postal Ballot & its Procedure:

During the year under review, the Company has passed 2 (two) resolutions as Special Resolutions through Postal Ballot in accordance to the procedure prescribed in Section 110 of the Companies Act, 2013 ('the Act') read with the Companies (Management and Administration)Rules, 2014.

During the conduct of the Postal Ballot, the Company had in terms of Clause 35B of the Listing Agreement provided e-voting facility to its shareholders to cast their votes electronically through the NSDL e-voting platform. Postal ballot forms and business reply envelopes were sent to shareholders to enable them to cast their vote in writing on the postal ballot. The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Companies Act, 2013 and applicable Rules. The scrutinizer submitted his report to the Chairman, after completion of the scrutiny and the results of voting by posting ballot were then announced by the Chairman/ Authorised officers. The voting results were sent to the Stock Exchanges and displayed on the Company's website. The last date of receipt of postal ballot form by the Company is deemed to be the date of passing of the resolutions.

a) **Shifting of Registered Office of the Company from Thane to Waluj (Aurangabad), within the State of Maharashtra.**

The Company sought approval of members vide special resolution passed on December 26, 2015 for Shifting of Registered Office of the Company from Thane to Waluj (Aurangabad), within the State of Maharashtra.

Mr. Prasen Naithani, Practicing Company Secretary was appointed as Scrutinizer for the postal ballot process for conducting the entire activity in a fair and transparent manner. The said resolution was passed as a Special Resolution on December 26, 2015 with Majority (the votes cast in favour of the resolution being 99.99% as against 0.001% votes against the resolution).

b) **To keep Registers, Copies of Returns etc., at Corporate Office of the Company at Mumbai or at the office of Registrar and Share Transfer Agent at Mumbai. (i.e. place other than Registered Office where the Registers, returns and other documents are proposed to be kept);**

The Company sought approval of members vide special resolution passed on December 26, 2015 for To keep Registers, Copies of Returns etc., at Corporate Office of the Company at Mumbai or at the office of Registrar and Share Transfer Agent at Mumbai. (i.e. place other than Registered Office where the Registers, returns and other documents are proposed to be kept). Mr. Prasen Naithani, Practicing Company Secretary was appointed as the Scrutinizer for the postal ballot process for conducting the entire activity in a fair and transparent manner. The said resolution was passed as a Special Resolution on December 26, 2015 with Majority (the votes cast in favour of the resolution being 99.99% as against 0.001% votes against the resolution).

Means of Communication:

The Board of Directors of the Company approves and takes on record the un-audited financial results in the Proforma prescribed by the Stock Exchanges or SEBI "Listing Regulations" , within forty five days from the end of quarter/half year and announces forthwith the results to all the Stock Exchanges where the shares of the Company are listed. Further, the results are published in newspapers (The Business Standard and Sakal), as prescribed. The results are also posted on Company's Website www.bkt-tires.com. As the Company publishes the audited annual results within the stipulated period i.e. within sixty days of end of the financial year, as required by the listing agreement with the Stock Exchanges/SEBI "Listing Regulations", the audited results for the last quarter of the financial year are not separately published.

Detailed Presentations are made to Institutional Investors and Financial Analysts on the Un-audited Quarterly Financial Results as well as Audited Financial Results of the Company. The Presentations are also uploaded on the website of the Company and are sent to the Stock Exchange for dissemination.

Management Discussion and Analysis is a part of the Annual Report.

General Shareholder Information:

Annual General Meeting :	
Date	6th August, 2016
Time	12:00 Noon
Venue	B-66, Waluj MIDC , Waluj Industrial Area, Aurangabad – 431 136 (Registered Office)
Date of Book Closure	3rd August , 2016 – 4th August, 2016 (Both days inclusively)
Dividend Payment Date	The board has decided to treat the Interim Dividend of Rs. 3.00 per equity share and a Special Dividend of Rs. 2.50 per equity share aggregating to Rs. 5.50 per equity share, already paid for the financial year ended 31st March, 2016 shall be treated as Final Dividend. The said dividend was paid on 28th March, 2016.

Financial Calendar for the year 2016-2017

Financial Year	
First Quarterly Results	Within 45 days from the end of quarter
Half Yearly Results	Within 45 days from the end of quarter/half year.
Third Quarter Results	Within 45 days from the end of quarter
Results for year end	Within 60 days from the end of financial year.

The Company has paid Annual Listing Fees for the Financial Year 2015-16 to BSE Limited and National Stock Exchange of India Ltd.

Company's shares are listed on :

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

National Stock Exchange of India Ltd
5th Floor, Exchange Plaza
Bandra Kurla Complex
Bandra (E), Mumbai 400 051

Stock Code

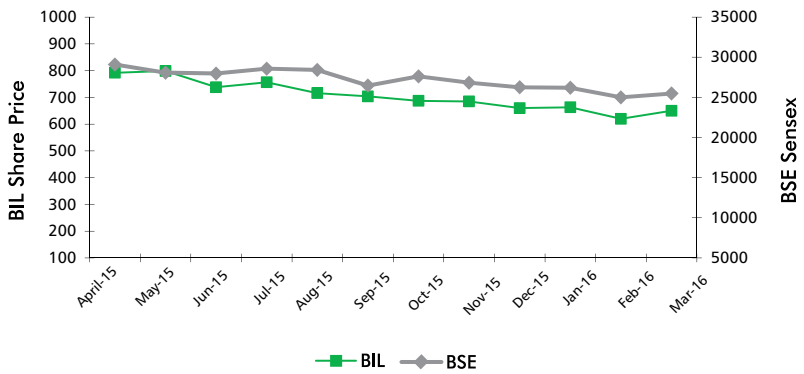
BSE Limited
Scrip Code No.: 502355(Demat)
National Stock Exchange of India Ltd.
NSE Code: BALKRISIND ISIN NO. : INE787D01026

Market Price Data (Rs.):

Month	BSE Limited (BSE)		National Stock Exchange of India Ltd. (NSE)	
	High	Low	High	Low
April-2015	792.00	640.00	792.75	633.20
May-2015	798.65	710.00	800.00	708.00
June-2015	738.00	685.00	740.00	690.00
July-2015	756.40	650.00	758.80	620.10
August-2015	715.75	623.70	717.00	621.00
September-2015	703.80	636.00	704.90	630.35
October-2015	687.00	645.00	678.00	619.40
November-2015	684.85	625.50	683.90	625.40
December-2015	660.00	625.60	664.90	625.00
January-2016	663.00	596.45	664.85	596.00
February-2016	619.75	551.35	623.35	552.00
March-2016	650.00	561.50	649.90	549.05

{Source: www.bseindia.com & www.nseindia.com }

Balkrishna Share Price v/s BSE Sensex



{Source : www.bseindia.com }

(SEBI vide its Order No. WTM/RKA/MIRSD2/41/2016 dated 22nd March, 2016 (Order) has debarred Sharepro Services (India) Private Limited (Sharepro) from accessing the Capital Market. The Order also directs all the clients of Sharepro to carry out/switchover their activities related to a registrar to an issue and share transfer agent, either in-house or through another registrar to an issue and share transfer agent registered with SEBI.)

REGISTRAR AND SHARE TRANSFER AGENT

Karvy Computershare Pvt. Ltd.
Unit : (Balkrishna Industries Limited)
Karvy Selenium Tower B, Plot No. 31-32
Gachibowli, Financial District, Nanakramguda
HYDERABAD – 500 032
Email Id: einward.ris@karvy .com
Phone: +91 40 6716 2222; Fax No: +91 40 2342 0814
Website: www.karvycomputershare.com

Contact Person:
Mr. V K Jayaraman,
General Manager
Email : jayaraman.vk@karvy.com

Mumbai address (for shareholder services) :
B-24, Rajabhadur Mansion, 6, Amblal Doshi Marg
Behind BSE Ltd , Fort, Mumbai - 400 001
Phone : +91 022 66235454

Share Transfer System:

Share transfer are processed and share certificates duly endorsed are delivered within a period of 15 days from the date of receipt, subject to documents being valid and complete in all respects. The company has delegated the authority to Share Transfer Agent. All documents, transfers, transmission, demat requests and other communications in relation thereto are required to be addressed to the Registrars directly.

Categories of Shareholding as on 31st March, 2016:

Categories of Shareholders :	No. of Shares	% of Total Shares
Promoter and Promoter Group (A)	**56348010***	**58.30**
Public Shareholding (B)		
Mutual Funds/UTI	13439340	13.90
Financial Institutions/Banks	26282	0.03
Foreign Institutional Investors	12250773	12.67
Bodies Corporate	1605205*	1.66
Individuals	6953961	7.19
Any Other		
NRI's	300644	0.31
Trust	2262	0.00
Foreign Portfolio Investor	5732118	5.94
Total Public Shareholding (B)	**40310585**	**41.70**
Total Shareholding (A+B)	**96658595**	**100**

*Note :As on 31st March, 2016, total Promoter Share Holding was 5,63,48,010 (58.30%) is inclusive of 22,500 shares which is held in the name of SSM Securities P. Ltd (Share Broker). There was an interse transfer of 22,500 (0.02%) shares between promoters on 30th March, 2016, 22,500 shares were debited from the demat account of GPP Enterprises LLP (Seller) but 15,000 shares were not credited in the demat account of Mr. Rajiv Poddar (Acquirer) and 7,500 shares were not credited in the demat account of Mrs. Shyamlata Poddar (Acquirer) as on 31st March, 2016. The said 22500 Shares are included in the respective accounts of the Promoters and not included in Bodies Corporate Head i.e 'No. of Shareholders and No. of Fully Paid up Equity Shares held Column (since it is held in the name of SSM Securities P. Ltd). On 4th April, 2016 the said shares were credited to Mr. Rajiv Poddar (15,000 Shares) & Mrs. Shyamlata Poddar (7,500 Shares) and debited from SSM Securities P. Ltd. (22,500 Shares).

Distribution of Shareholding as on 31st March, 2016:

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of Shares held	% Share holding
1 to 500	13282	88.27	1047506	1.08
501 to 1000	572	3.80	447713	0.46
1001 to 2000	411	2.73	624878	0.65
2001 to 3000	221	1.47	580974	0.60
3001 to 4000	77	0.51	279739	0.29
4001 to 5000	74	0.49	344115	0.36
5001 to 10000	158	1.05	1112110	1.15
10001 & above	252	1.68	92221560	95.41
Total	15047	100.00	96658595	100.00

Dematerialization of shares and liquidity:

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) whereby shareholders have an option to dematerialise their shares with either of the depositories. As on 31st March 2016, 98.43% of Company's Shares were dematerialised.

Outstanding ADR's / GDR's / Warrants or any convertible instruments, conversion date and likely impact on equity:

NOT APPLICABLE

Commodity price risk or foreign exchange risk and hedging activities

Fluctuation in Raw Material prices: The Company's major raw material is Natural Rubber, which is an agricultural commodity and actively traded on the commodities exchanges. Its prices fluctuate significantly and have witnessed significant volatility in the past. During last two years, the raw material prices have been soft in the back drop of subdued business environment across the globe. Of late, it has started moving up. In certain raw materials, the movement has been sharp. We do not foresee any immediate reversal in the price trend.

In order to minimize such risks, the Company not only enters into medium-term contracts but also adopts the policy to "Buy and Stock" large quantities during the lean period.

Since most of the raw materials are imported, the company is exposed to foreign currency risk. However, it enjoys natural hedge as most of its revenues are in foreign currency.

Currency fluctuation: As stated earlier the company revenues are mainly generated through exports. The Company also imports lot of its raw materials and capital equipment's. Moreover, all its borrowings are in foreign currency and it is therefore exposed to risks due to currency fluctuations.

The Company follows the system of hedging its receivables (net off payables) well in advance by entering into Forward Contracts, thereby protecting itself from the fluctuations in currencies.

The details of foreign currency exposure are disclosed in Note No. 44 to the Standalone Financial Statements.

Plant Locations

PLANTS :

TYRE MANUFACTURING	:	B-66, Waluj MIDC, Waluj Indl. Area, Aurangabad 431 136 (Maharashtra)
		SP-923, RIICO Industrial Area, Phase-III, P.O. Bhiwadi 301 019 Dist. Alwar (Rajasthan)
		RIICO, Phase VIII, Chopanki P.O. Bhiwadi 301 707 Dist. Alwar. (Rajasthan)
		Village Padhdhar, Taluka Bhuj, Dist: Kutch 370 105 (Gujarat)
CALENDERING	:	SP4-886, RIICO Industrial Area Pathredi 301 707, Dist. Alwar, Rajasthan
WIND FARM	:	Village Soda Mada, Tehsil: Fatehgarh Dist. Jaisalmer (Rajasthan)
MOULD UNIT	:	Plot No. C-21 and TS-1, M.I.D.C, Phase No. I, Dombivali (E) 421 203, Dist. Thane (Maharashtra)

Address for Correspondence

BALKRISHNA INDUSTRIES LTD.

Registered Office	:	B-66,Waluj MIDC, Waluj Industrial Area, Aurangabad : 431 136, Maharashtra. Tel: (0240) – 6646950 / 999, Fax: (0240) – 2554143
Corporate Office	:	BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013 Tel: 022 66663800 Fax: 66663899 E-mail: shares@bkt-tires.com

Other Disclosures:

Related Party transactions

There were no transactions 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 the Company at large.

Statements of transactions with related parties have been placed periodically before the Audit Committee. Transactions with related parties have also been disclosed in Note no.41 of the Financial Statements.

Policy on materiality of related party transactions and dealing with related party transactions has been displayed on the Company's website https://cloud.bkt-tires.com/bkt-financials/others/policy-on-materiality-of-related-party-transactions-and-on-dealing-with-related-party-transactions.pdf.

Details of non-compliance by the Company, penalties, and 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.

The Company has complied with all requirements specified under Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

Vigil Mechanism/ Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. https://cloud.bkt-tires.com/bkt-financials/others/vigil-mechanism-and-whistle-blower-policy.pdf .

Non-mandatory requirements

Adoption of non-mandatory requirements of Listing Regulation is being reviewed by the Board from time-to time.

Subsidiary Companies:

The Company does not have any material subsidiary as defined under Listing Regulation .The Audit Committee reviews the financial statements and investments made by unlisted Subsidiary Companies. The minutes of the Board Meeting as well as statements of all significant transactions and arrangements entered into of the unlisted subsidiary companies are placed regularly before the Board of Directors for their review. However, the Company has formulated the Material Subsidiary Policy and uploaded on the website of the Company viz. https://cloud.bkt-tires.com/bkt-financials/others/policy-for-determining-material-subsidiaries.pdf .

Compliance with Governance Framework

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, In which Regulation 21 of Listing Agreement i.e. Risk Management Committee is Not Applicable .

This Corporate Governance Report of the Company for the year 2015-2016 are in compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement with BSE Limited or National Stock Exchange of India Limited or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

Risk Management

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

For and on behalf of the Board of Directors

Mumbai,
Dated :18th May, 2016

ARVIND PODDAR
Chairman & Managing Director

Compliance with the Code of Business Conduct and Ethics

To,

The Members of Balkrishna Industries Limited

I Arvind Poddar, Chairman & Managing Director of Balkrishna Industries Limited declare as provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that to the best of my knowledge and belief, all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with Balkrishna Industries Limited Code of Conduct for the year ended March 31, 2016.

For Balkrishna Industries Limited

Arvind Poddar
Chairman & Managing Director

Mumbai;
Dated: 18th May, 2016

Auditors' Certificate

To the Members of

Balkrishna Industries Limited

We have examined the compliance of regulations of Corporate Governance by Balkrishna Industries Limited (the Company) for the year ended March 31, 2016, as stipulated in regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of regulations 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 regulations of 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 and the representations made by the Directors and the Management, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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

FOR JAYANTILAL THAKKAR & CO.
Chartered Accountants
(FIRM REG. NO.104133W)

Mumbai,
Dated : 18th May, 2016

VIRAL A. MERCHANT
Partner
Membership No.116279

Independent Auditors' Report to the Members of BALKRISHNA INDUSTRIES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Balkrishna Industries Limited ("the Company") which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2) As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash flow statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No.31 (i) to the financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR JAYANTILAL THAKKAR & CO.
Chartered Accountants
(Firm Reg. No. 104133W)

VIRAL A. MERCHANT
Partner
Membership No.116279

Mumbai
Dated : 18th May, 2016

Annexure - A To Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

(i) (a) In our opinion, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As explained to us, physical verification of these fixed assets is being conducted in a phased programme by the management designed to cover all the assets over a period of three to four years, which in our opinion is reasonable having regard to the size of the Company and the nature of assets. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management and discrepancies noticed on such physical verification between physical stocks and book records were not material considering the operations of the Company and the same have been properly dealt with in the books of account.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties as covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loans, investments and guarantees made.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit within the meaning of Section 73 to 76 of the Act, and the rules framed thereunder.

(vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government, the maintenance of cost records have been prescribed under Section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.

(vii) (a) According to the records of the Company and the information and explanations given to us, the Company has generally been regularly depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales-Tax, Service tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues applicable to it. There are no undisputed statutory dues as referred to above as at 31st March, 2016 outstanding for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, the dues in respect of Income Tax, Sales Tax, Duty of Customs, Excise Duty and Service Tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are given below :-

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the Amount Relates	Forum where dispute is pending
Income Tax Act	Income Tax	2,06,93,000	2004-05	Supreme Court
		96,96,524	2006-07	ITAT
Sales Tax Act	Sales Tax (Including Interest and Penalty)	2,91,35,121	1999-2002	Tribunal
		16,35,76,622	1996-97,1998-99 2002-2006, 2008-09	Commissioner (Appeals)
		2,58,000	2004-05	High Court
Customs Act	Custom Duty (Including Interest)	38,32,88,504	2012-2014	High Court
		3,00,12,300	2012-2013	CESTAT
Central Excise And Service Tax Act	Excise Duty/ Service tax (Including Interest and Penalty)	11,56,50,945	2003-2016	High Court
		44,98,15,667	2005-2015	Tribunal
		1,20,27,176	2007-2009 2010-2014	Commissioner (Appeals)
		71,10,872	1994-1996	Assessing Authority
		1,23,72,531	2012-2014	Joint Secretary

(viii) Based on our audit procedures and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans from bank.

Further as per the records of the Company, during the year there were no loans or borrowings from any financial institution, government or debenture holders.

(ix) In our opinion and according to the information and the explanations given to us, the term loans have been applied for the purposes for which they were obtained. Further as per the records, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments).

(x) Based upon the audit procedures performed and to the best of our knowledge and belief and according to the information and explanations given to us no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR JAYANTILAL THAKKAR & CO.
Chartered Accountants
(Firm Reg. No. 104133W)

VIRAL A. MERCHANT
Partner
Membership No.116279

Mumbai
Dated : 18th May, 2016

Annexure - B To The Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Balkrishna Industries Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR JAYANTILAL THAKKAR & CO.
Chartered Accountants
(Firm Reg. No. 104133W)

VIRAL A. MERCHANT
Partner
Membership No.116279

Mumbai
Dated : 18th May, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

	PARTICULARS	Note No.	Current Year Rupees		Previous Year Rupees
I	**EQUITY AND LIABILITIES**				
1	**SHAREHOLDERS' FUND**				
	(a) Share Capital	2	19,33,17,190		19,33,17,190
	(b) Reserves and Surplus	3	2775,96,26,389		2272,34,46,982
				2795,29,43,579	2291,67,64,172
2	**NON-CURRENT LIABILITIES**				
	(a) Long-Term Borrowings	4	832,28,31,092		1359,27,71,175
	(b) Deferred Tax Liabilities (Net)	5	238,17,39,758		188,65,12,326
	(c) Other Long-Term Liabilities	6	1,36,673		1,36,673
	(d) Long-Term Provisions	7	3,63,98,316		1,37,24,892
				1074,11,05,839	1549,31,45,066
3	**CURRENT LIABILITIES**				
	(a) Short-Term Borrowings	8	456,02,66,818		633,44,92,141
	(b) Trade Payables	9	336,72,21,275		379,90,72,305
	(c) Other Current Liabilities	10	702,90,12,052		424,86,53,305
	(d) Short-Term Provisions	11	8,65,42,740		35,39,10,022
				1504,30,42,885	1473,61,27,773
	TOTAL			5373,70,92,303	5314,60,37,011
II	**ASSETS**				
1	**NON-CURRENT ASSETS**				
	(a) Fixed Assets				
	(i) Tangible Assets	12	2849,60,20,940		2413,47,66,250
	(ii) Intangible Assets	13	4,15,52,709		1,28,38,506
	(iii) Capital Work-in-Progress		231,07,23,238		634,03,79,554
				3084,82,96,887	3048,79,84,310
	(b) Non-Current Investments	14		562,06,04,600	58,36,40,835
	(c) Long-Term Loans and Advances	15		136,52,22,874	139,96,06,805
2	**CURRENT ASSETS**				
	(a) Current Investments	16	270,40,00,000		386,49,99,996
	(b) Inventories	17	286,40,13,858		392,01,43,105
	(c) Trade Receivables	18	553,32,96,441		603,29,09,266
	(d) Cash and Bank Balances	19	302,84,38,468		431,13,05,089
	(e) Short-Term Loans and Advances	20	174,85,31,959		253,29,57,051
	(f) Other Current Assets	21	2,46,87,216		1,24,90,555
				1590,29,67,942	2067,48,05,061
	TOTAL			5373,70,92,303	5314,60,37,011

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS **1 to 51**

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

For **JAYANTILAL THAKKAR & CO.**
Chartered Accountants

VIRAL A. MERCHANT
Partner

Mumbai,
Dated: 18th May, 2016

For and on behalf of the Board of Directors

ARVIND PODDAR
Chairman & Managing Director

RAJIV PODDAR
Joint Managing Director

BASANT BANSAL
Director (Finance)

VIPUL SHAH
Director & Company Secretary

Mumbai,
Dated: 18th May, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	PARTICULARS	Note No.	Current Year Rupees	Previous Year Rupees
I	**Revenue From Operations**	22	**3241,77,01,994**	3779,90,56,336
II	**Other Income**	23	**295,39,34,662**	279,80,00,597
III	**Total Revenue (I+II)**		**3537,16,36,656**	4059,70,56,933
IV	**Expenses :**			
	Cost of Materials Consumed	24	**1389,35,20,542**	1944,82,90,267
	Purchases of Stock-in-Trade	25	**5,13,78,312**	7,28,05,235
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	**17,88,43,102**	15,77,73,458
	Employee Benefits Expense	27	**209,09,52,033**	194,34,80,507
	Finance Cost	28	**34,28,13,490**	46,40,36,583
	Depreciation and Amortization Expense	29	**281,13,68,123**	240,20,23,256
	Other Expenses	30	**753,38,68,729**	883,31,18,500
	Total Expenses		**2690,27,44,331**	3332,15,27,806
V	**Profit Before Tax (III-IV)**		**846,88,92,325**	727,55,29,127
VI	**Tax Expense:**			
	Current tax		**229,70,00,000**	215,10,00,000
	Deferred tax		**49,52,27,432**	23,64,13,910
VII	**Profit After Tax (V-VI)**		**567,66,64,893**	488,81,15,217
VIII	**Earnings per equity share:**			
	Basic and Diluted	40	**58.73**	51.55

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS **1 to 51**

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

For **JAYANTILAL THAKKAR & CO.**
Chartered Accountants

VIRAL A. MERCHANT
Partner

Mumbai,
Dated: 18th May, 2016

For and on behalf of the Board of Directors

ARVIND PODDAR
Chairman & Managing Director

RAJIV PODDAR
Joint Managing Director

BASANT BANSAL
Director (Finance)

VIPUL SHAH
Director & Company Secretary

Mumbai,
Dated: 18th May, 2016

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE NO.1

SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accounts have been prepared in accordance with historical cost convention and on accrual basis.

Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual and estimates are recognised in the period in which the results are known/materialised.

Fixed Assets

a) Fixed Assets are stated at cost less depreciation. Cost comprises of purchase price and attributable expenses (including financing charges) and is net of permissible credits/set offs.

b) Expenditure (including financing charges) incurred for fixed assets, the construction / installation/acquisition of which is not completed, is included under the Capital Work-in-Progress and the same is related/classified to the respective fixed assets on the completion.

Depreciation/Amortisation

a) Effective from 1st April 2014, Depreciation on fixed assets (other than leasehold land) has been provided based on useful life of the assets in accordance with Schedule II to the Companies Act, 2013, on Straight Line Method except in respect of Plant and Equipment where the useful life is considered differently based on an independent technical evaluation as 10 to 15 years.

b) Premium on Leasehold Land is amortised over the duration of the Lease.

Investments

Investments are valued at cost plus attributable expenses of acquisition and are classified as Long Term Investments and Current Investments (investments intended to be held for not more than one year). Long Term Investments are stated at cost. However, where there is a diminution, other than temporary, in the value of a long-term investment, necessary provision is made to recognise the decline. Current Investments are stated at lower of cost and fair value, computed on individual investment basis.

Valuation of Inventories

Inventories are valued at lower of the cost and net realisable value. Cost of inventories is computed on moving weighted average basis. Cost comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Revenue Recognition

Sales are inclusive of Excise Duty but excluding Value Added Tax/Central Sales Tax and are net of Trade Discounts, Rebates and Incentives.

Export Benefits

Consumption of Raw Materials is arrived at after taking into account the duty saved on imported raw material against which export has yet to be made. Export Incentives under Focus Product Scheme, Focus Market Scheme and MEIS – Merchandise Exports from India Scheme under EXIM policy/ Foreign Trade Policy are accounted for on the basis of its utilization. Profit/Loss on sale of such licenses, if any, is accounted in the year of sale.

Foreign Currency Transactions

Transactions in foreign currencies are accounted at the exchange rates prevailing on the day of the transaction. Gains and losses arising out of subsequent fluctuations are accounted on actual payment/realisation. Monetary items related to foreign currency transactions, remaining unsettled at the end of the year are adjusted at the rates prevailing at the year end or are stated at the amounts likely to be realised or required to be disbursed, except for those considered doubtful of recovery. The exchange fluctuation arising on account of such adjustments are dealt in Profit and Loss Account. Non-monetary items are reported by using the exchange rate at the date of transaction.

The Company enters into Forward Contracts to hedge its Foreign Currency Exposures. Premium/ Discount in respect of outstanding forward contracts at the year end are amortised as expense or income over the life of the contract.

Employee Benefits:

A) Short-term employee benefits:

Short-term employee benefits consisting of wages, salaries, social security contributions, ex-gratia and accrued leave are recognised in the year to which it relates.

B) Post employment benefits:

i) Benefits in the nature of contribution to provident fund, superannuation scheme, employee state insurance scheme etc. provided by the company to the employees have been identified as defined contribution plans in terms of provisions of AS-15 on "Employee Benefits" where the obligation of the company is limited to a pre-agreed amount as fixed by the administrator of those plans. Such contributions are recognised in the year to which they relate.

ii) Benefit in the nature of gratuity paid by company to the employees has been identified as defined benefit plan in terms of provisions of AS-15 on "Employee Benefits". The gratuity scheme in respect of the employees of the company is administered through Life Insurance Corporation of India (LIC). Annual contributions as determined by LIC are charged to profit and loss account. The liability of the company is also determined through actuarial valuation technique at balance sheet date and the additional liability, if any, arising out of the difference between the actuarial valuation and the plan assets as at the balance sheet date is provided for at the year end.

Research and Development

Revenue expenditure on Research and Development is charged to Profit and Loss Account as incurred. Capital expenditure on assets acquired for Research and Development is added to Fixed Assets.

Government Grants

Special Capital Incentive received from the Government for setting up/expansion of an industrial undertaking in underdeveloped area of the State, is credited to Capital Reserve (Capital Incentive Reserve). Government grants/subsidy related to specific fixed assets is reduced from the cost of the asset concerned.

Borrowing Cost

Borrowing costs directly attributable to the acquisition/construction/installation of fixed assets are capitalised as part of the cost of the assets up to the date the assets are put to use. Other borrowing costs are charged to Profit and Loss Account.

Taxation

a) Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.

b) Deferred tax assets and liabilities are recognised for timing differences between the accounting and taxable income, based on tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets, subject to the consideration of prudence, are recognised only if there is reasonable certainty that sufficient future taxable income will be available, against which they can be realised. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassure its realisation.

Leases

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Profit and Loss Account on accrual basis. Assets leased out under operating lease are capitalised, depreciation thereon is provided in the books and rental income is recognised on accrual basis over the lease term. Assets leased out are stated at original cost and the depreciation thereon is provided in the books.

Impairment

The carrying amount of an asset is reviewed at each balance sheet date for any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

Provisions, Contingent Liabilities and Contingent Assets

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefit will be required to settle an obligation. Contingent Liabilities, if material, are disclosed by way of notes to accounts. Contingent Assets are not recognised or disclosed in the financial statements.

NOTE NO.2	Current Year Rupees	Previous Year Rupees
SHARE CAPITAL		
Authorised :		
44,00,00,000 Equity Shares of Rs.2 each	**88,00,00,000**	88,00,00,000
20,00,000 Redeemable Preference Shares of Rs.10 each	**2,00,00,000**	2,00,00,000
	90,00,00,000	90,00,00,000
Issued Subscribed and fully paid up:		
9,66,58,595 Equity Shares of Rs.2 each fully paid up	**19,33,17,190**	19,33,17,190
	19,33,17,190	19,33,17,190
Terms/rights attached to equity shares:		
All the Equity Shares have equal rights in respect of distribution of dividends and the repayment of capital.		
Shareholder's holding more than 5 % Shares in the Company		
Name of Shareholders	**No. of Shares held**	No. of Shares held
RAP ENTERPRISES LLP	**2,39,67,995**	2,39,67,995
% Holding	**24.80**	24.80
AKP ENTERPRISES LLP	**2,39,98,445**	2,39,98,445
% Holding	**24.83**	24.83

NOTE NO.3	Current Year Rupees		Previous Year Rupees
RESERVES AND SURPLUS			
(a) Capital Reserves			
Opening Balance	**NIL**		1,51,06,067
Less: On account of Scheme of Arrangement	**NIL**		1,51,06,067
Closing Balance		**NIL**	NIL
(b) Securities Premium Account			
Opening Balance	**12,52,90,824**		71,53,42,628
Less: On account of Scheme of Arrangement	**NIL**		59,00,51,804
Closing Balance		**12,52,90,824**	12,52,90,824
(c) Other Reserve (General Reserve)			
Opening Balance	**1696,93,72,779**		1650,00,00,000
Add: Transferred from Profit and Loss account	**503,06,27,221**		50,00,00,000
Less: Depreciation (net of deferred tax) pursuant to enactment of schedule II of Companies Act, 2013. (Refer Note No.12 and 13)	**NIL**		3,06,27,221
Closing Balance		**2200,00,00,000**	1696,93,72,779
(d) Surplus			
Opening Balance	**562,87,83,379**		142,42,68,160
Add: Net Profit for the current year	**567,66,64,893**		488,81,15,217
Less: Interim Dividend	**53,16,22,273**		NIL
Less: Tax on Interim Dividend	**10,82,25,802**		NIL
Less: Proposed Dividend	**NIL**		23,19,80,628
Less: Tax on Proposed Dividend	**NIL**		4,63,43,497
Less: Transfer to General Reserve	**503,06,27,221**		50,00,00,000
Less: Tax on Dividend of earlier year	**6,37,410**		NIL
Add: Income Tax of Earlier Years	**NIL**		9,47,24,126
Closing Balance		**563,43,35,565**	562,87,83,379
		2775,96,26,389	2272,34,46,982

NOTE NO.4	Current Year Rupees	Previous Year Rupees
LONG-TERM BORROWINGS		
Secured (Refer Note No.50)		
Term loans		
- from banks	**829,20,54,720**	1356,13,40,021
Unsecured		
Deferred Payment Liabilities		
- Deferred Sales Tax under the scheme of Government of Maharashtra (Payable after ten years, from the date of respective loan, in five annual equal installments)	**3,07,76,372**	3,14,31,154
	832,28,31,092	1359,27,71,175

NOTE NO.5	Current Year Rupees	Previous Year Rupees
DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability on account of :		
Depreciation	**244,20,20,563**	193,51,54,368
Deferred Tax Assets on account of :		
Expenses allowable for tax purpose when paid	**6,02,80,805**	4,86,42,042
Net Deferred Tax Liability	**238,17,39,758**	188,65,12,326

NOTE NO.6	Current Year Rupees	Previous Year Rupees
OTHER LONG TERM LIABILITIES		
Others - Security Deposit	**1,36,673**	1,36,673

NOTE NO.7	Current Year Rupees	Previous Year Rupees
LONG TERM PROVISIONS		
Provision for employee benefits - Gratuity	**3,63,98,316**	1,37,24,892

NOTE NO.8	Current Year Rupees	Previous Year Rupees
SHORT TERM BORROWINGS		
Secured Loan From Banks (Refer Note No.50)		
- Loans repayable on demand (working capital)	**284,89,75,040**	248,54,55,393
Unsecured		
Loans repayable on demand		
- from banks	**171,12,91,779**	384,90,36,748
	456,02,66,818	633,44,92,141

NOTE NO.9	Current Year Rupees	Previous Year Rupees
TRADE PAYABLES		
Trade Payables (including Acceptances)	**336,72,21,275**	379,90,72,305
(Refer Note No. 43 for details of Dues to Micro and Small Enterprises)		

NOTE NO.10	Current Year Rupees	Previous Year Rupees
OTHER CURRENT LIABILITIES		
Current maturities of long-term debt	**608,05,64,905**	365,11,29,979
Interest accrued but not due on borrowings	**85,18,569**	1,17,53,731
Income received in advance	**29,28,84,798**	12,16,12,534
Unpaid dividends	**1,23,03,383**	67,99,207
Other payables		
- Payable towards Capital Goods	**41,09,71,803**	35,05,14,589
- Statutory dues towards TDS/VAT/CST/Service Tax etc.	**22,05,99,714**	10,35,13,385
- Security Deposits	**31,68,880**	33,29,880
	702,90,12,052	424,86,53,305

NOTE NO.11	Current Year Rupees	Previous Year Rupees
SHORT-TERM PROVISIONS		
Provision for employee benefits		
- Leave encashment	**8,65,42,740**	7,55,85,897
Others		
- Proposed Dividend	**NIL**	23,19,80,628
- Tax on proposed Dividend	**NIL**	4,63,43,497
	8,65,42,740	35,39,10,022

NOTE NO.12

Fixed Assets	Gross Block (At Cost)				Depreciation (Including Amortization)				(Net Block)	
	Balance As at 01.04.2015	Additions/ Adjustments During the year	Deductions/ Adjustments During the year	Balance As at 31.03.2016	Total upto 31.03.2015	*For the Year	Deductions During the year	Total upto 31.03.2016	As At 31.03.2016	As At 31.03.2015
Tangible assets										
(a) Land										
- Freehold	37,01,63,256	NIL	NIL	37,01,63,256	NIL	NIL	NIL	NIL	37,01,63,256	37,01,63,256
- Leasehold	20,63,83,513	NIL	NIL	20,63,83,513	1,64,04,910	24,10,737	NIL	1,88,15,647	18,75,67,866	18,99,78,603
(b) Buildings	621,23,03,297	254,85,18,623	NIL	876,08,21,920	56,33,68,285	26,54,11,975	NIL	82,87,80,260	793,20,41,660	564,89,35,012
(c) Plant and Equipment	2489,22,60,297	397,76,82,994	6,87,86,360	2880,11,56,931	798,42,82,364	233,02,63,997	3,95,58,664	1027,49,87,697	1852,61,69,234	1690,79,77,933
(d) Furniture and Fixtures	15,45,34,908	38,89,83,229	NIL	54,35,18,137	6,57,05,073	3,62,94,464	NIL	10,19,99,537	44,15,18,600	8,88,29,835
(e) Vehicles	16,53,09,934	6,44,35,275	1,96,27,429	21,01,17,780	4,95,70,318	2,56,48,978	65,18,292	6,87,01,004	14,14,16,776	11,57,39,617
(f) Office Equipment	4,40,87,058	3,03,21,331	3,08,411	7,40,99,978	2,58,32,272	1,15,01,207	2,58,156	3,70,75,323	3,70,24,655	1,82,54,786
(g) Others										
- Electric Installations	97,58,82,936	18,64,32,013	21,76,017	116,01,38,932	22,75,77,452	13,15,90,497	16,95,860	35,74,72,089	80,26,66,843	74,83,05,484
- Air Conditioners	3,97,00,097	2,50,98,024	2,40,398	6,45,57,723	2,27,97,146	1,04,52,297	2,40,389	3,30,09,054	3,15,48,669	1,69,02,951
- Computer	9,91,47,446	1,00,40,143	34,67,933	10,57,19,656	6,94,68,673	1,38,15,472	34,67,870	7,98,16,275	2,59,03,381	2,96,78,773
TOTAL TANGIBLE (CURRENT YEAR)	**3315,97,72,742**	**723,15,11,632**	**9,46,06,548**	**4029,66,77,826**	**902,50,06,493**	**282,73,89,624**	**5,17,39,231**	**1180,06,56,886**	**2849,60,20,940**	**-**
TOTAL TANGIBLE (PREVIOUS YEAR)	2996,94,17,035	420,94,43,959	101,90,88,252	3315,97,72,742	668,37,38,804	254,15,72,927	20,03,05,238	902,50,06,493	-	2413,47,66,250

NOTE NO.13

Intangible Assets										
Computer software	5,27,50,914	3,48,40,447	4,50,193	8,71,41,168	3,99,12,408	61,26,234	4,50,183	4,55,88,459	4,15,52,709	1,28,38,506
TOTAL INTANGIBLE (CURRENT YEAR)	**5,27,50,914**	**3,48,40,447**	**4,50,193**	**8,71,41,168**	**3,99,12,408**	**61,26,234**	**4,50,183**	**4,55,88,459**	**4,15,52,709**	**-**
TOTAL INTANGIBLE (PREVIOUS YEAR)	4,45,34,781	1,29,05,570	46,89,437	5,27,50,914	3,57,82,591	83,29,543	41,99,726	3,99,12,408	-	1,28,38,506
Capital Work in Progress									**231,07,23,238**	634,03,79,554

* Including Depreciation capitalised **Rs.2,21,47,735** (Previous Year Rs.2,13,01,125).

NOTE NO.14	Units	Current Year Rupees		Previous Year Rupees
Non-current Investments (At Cost):				
Trade Investments :				
(a) Investments in Equity Instruments				
(Shares of Rs.10 each, fully paid up)				
Unquoted (In 100 % Subsidiaries Companies)				
7,00,000 Shares of BKT Exim Ltd.		**70,00,000**		70,00,000
50,000 Shares of BKT Tyres Ltd.		**5,00,000**		5,00,000
50,000 Shares of Thristha Synthetics Ltd.		**5,00,000**		5,00,000
Unquoted (Others)				
12,56,037 shares of V S Lignite Power Private Ltd. (Class 'A' Equity Shares)		**1,25,60,370**		1,25,60,370
			2,05,60,370	2,05,60,370
(b) Investment in Preference Shares				
Unquoted (Others)				
11,14,223 Class 'A' 0.01% Cumulative Redeemable Preference Shares of V S Lignite Power Private Ltd. of Rs.10 each at cost		**1,11,42,230**		1,11,42,230
			1,11,42,230	1,11,42,230
			3,17,02,600	3,17,02,600
Other than Trade Investments :				
Unquoted (Others)				
(a) Investments in Government Securities				
In 6 Year National Saving Certificates (Rs. 10,000 Purchased during the year and Rs.13,000 Redeemed during the year)			**20,000**	23,000
Quoted				
(b) Investment in Bonds				
7.35 % NABARD Tax Free Bonds SR-IIA	**50,099**		**5,00,99,000**	NIL
7.35 % IRFC Tax Free Bonds SR-108	**58,783**		**5,87,83,000**	NIL
(c) Investment in Mutual fund				
HDFC Debt Fund for Cancer Cure - 100% Direct Option -2014 Dividend Option	**50,00,000**	**5,00,00,000**		5,00,00,000
HDFC Fixed Maturity Plan Series 31 Direct Growth	**1,50,00,000**	**15,00,00,000**		15,00,00,000
SBI Debt Fund Series -A26 Direct Growth	**1,50,00,000**	**15,00,00,000**		15,00,00,000
HDFC Fixed Maturity Plan Series 35/36 Direct Growth	**34,30,00,000**	**343,00,00,000**		NIL
HDFC Gilt Fund - Long Term Plan	**5,16,24,449**	**150,00,00,000**		NIL
LIC Nomura MF Fixed Maturity Plan Series 85 Direct Growth	**2,00,00,000**	**20,00,00,000**		20,00,00,000
			548,00,00,000	55,00,00,000
(d) Investments in Equity Instruments				
(Shares of Rs.10 each, fully paid up)				
4,98,759 Equity Shares of Govind Rubber Ltd.		**NIL**		1,87,50,059
Less : Provision for diminution in the value of Investments (Investment in Equity Shares) (Sold during the Year)		**NIL**		1,68,34,824
			NIL	19,15,235
			558,89,02,000	55,19,38,235
			562,06,04,600	58,36,40,835
Aggregate amount of quoted investments net of provision - Market value of **Rs.576,59,59,319** (Previous Year Rs. 59,95,30,304)			**558,88,82,000**	55,19,15,235
Aggregate amount of unquoted investments.			**3,17,22,600**	3,17,25,600

NOTE NO.15	Current Year Rupees	Previous Year Rupees
LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
(a) Capital Advances	**72,61,81,821**	77,44,33,744
(b) Security Deposits	**7,52,75,790**	8,77,51,820
(c) Others loans and advances		
- Advance Payment to Suppliers	**NIL**	33,27,647
- Excise/Sales Tax/Service Tax/Custom Duty etc. Receivables	**5,00,000**	5,00,000
- Advance Payments of Taxes and Tax deducted at source(Net of Provisions)	**56,32,65,263**	53,35,93,593
	136,52,22,874	139,96,06,805

NOTE NO.16	Units	Current Year Rupees	Previous Year Rupees
CURRENT INVESTMENTS			
(a) In Mutual funds (Quoted)			
Investment in Mutual Fund			
Axis Fixed Term Plan - Series 49 Growth	2,50,00,000	**NIL**	25,00,00,000
ICICI Prudential Fixed Maturity Plan Series 72/Interval Fund II Growth	4,02,10,504	**NIL**	40,99,99,996
IDFC Fixed Term Plan Series 70 Growth	2,50,00,000	**NIL**	25,00,00,000
UTI Fixed Term Income Fund Series XVII - VII Growth	2,50,00,000	**NIL**	25,00,00,000
SBI Debt Fund Series - A1/2/3/14 Growth	11,00,00,000	**NIL**	110,00,00,000
HDFC Fixed Maturity Plan Series 29/33 Growth	12,55,00,000	**NIL**	125,50,00,000
SBI Megnum Gilt Fund - Long Term Plan	**6,42,38,971**	**200,00,00,000**	NIL
SBI Debt Fund Series - B-32 (60 days)	**1,50,00,000**	**15,00,00,000**	NIL
ICICI Prudential FMP Series 75-95 days plan K	**2,60,00,000**	**26,00,00,000**	NIL
LIC Nomura MF fixed maturity plan series 76 Growth	3,50,00,000	**NIL**	35,00,00,000
		241,00,00,000	386,49,99,996
(b) Investment in Debenture (Unquoted) (In 100% Subsidiary Company)			
3% Optionally Convertible Debentures of BKT Exim Ltd.,of Rs.1,00,000 each	**2,940**	**29,40,00,000**	NIL
		270,40,00,000	386,49,99,996
Aggregate amount of quoted investments - Market value of **Rs.250,25,72,394** (Previous Year Rs. 425,07,03,585)		**241,00,00,000**	386,49,99,996
Aggregate amount of Unquoted investments		**29,40,00,000**	NIL

NOTE NO.17	Current Year Rupees	Previous Year Rupees
INVENTORIES :		
(At lower of Cost and Net Realisable Value)		
(a) Raw materials	**146,25,10,109**	227,36,95,474
(b) Work-in-Progress	**39,77,27,596**	55,81,80,288
(c) Finished Goods	**59,73,70,371**	60,64,78,518
(d) Stock-in-Trade	**84,60,215**	1,77,42,478
(e) Stores and Spares	**36,75,61,594**	43,14,47,623
(f) Others -Packing Materials and Fuel	**3,03,83,973**	3,25,98,725
	286,40,13,858	392,01,43,105

NOTE NO.18	Current Year Rupees		Previous Year Rupees
TRADE RECEIVABLES			
Trade Receivables outstanding for a period less than Six Months			
(a) Secured Considered good	**176,91,65,238**		153,78,95,532
(b) Unsecured Considered good	**369,80,53,312**		431,29,50,193
		546,72,18,550	585,08,45,725
Trade Receivables outstanding for a period exceeding Six Months			
(a) Secured Considered good	**NIL**		53,10,749
(b) Unsecured Considered good	**6,60,77,891**		17,67,52,792
		6,60,77,891	18,20,63,541
		553,32,96,441	603,29,09,266

NOTE NO.19	Current Year Rupees	Previous Year Rupees
CASH AND BANK BALANCES:		
Cash and Cash Equivalents:		
- Balances with banks	**57,82,16,934**	84,66,914
- Cash on hand	**35,53,999**	8,51,60,815
- In Fixed Deposit #	**243,00,82,924**	421,00,77,625
	301,18,53,857	430,37,05,354
Other Bank balances:		
- Unpaid Dividend	**1,23,03,383**	67,99,207
- Margin Money (Including Fixed Deposit)	**42,81,228**	8,00,528
	1,65,84,611	75,99,735
	302,84,38,468	431,13,05,089
# Including lodged with Government Authorities and maturing after twelve months **Rs. 42,81,228** (Previous Year Rs.77,625)		

NOTE NO.20	Current Year Rupees	Previous Year Rupees
SHORT TERM LOANS AND ADVANCES:		
Unsecured, considered good		
Loans and advances to other then Related Parties:	**23,50,00,000**	75,00,000
Others		
- Advance payment to suppliers	**39,34,00,315**	76,72,03,545
- Excise/Sales Tax/Service Tax/Custom Duty etc. Receivables	**109,01,56,606**	172,16,14,839
- Loans and advances to employees	**2,99,75,038**	3,66,38,667
	174,85,31,959	253,29,57,051

NOTE NO.21	Current Year Rupees	Previous Year Rupees
OTHER CURRENT ASSETS		
Interest Accrued on Investment	**73,45,171**	7,800
Export Incentive Receivables	**854**	46,364
Interest Accrued on others	**1,73,41,191**	1,24,36,391
	2,46,87,216	1,24,90,555

NOTE NO.22	Current Year Rupees		Previous Year Rupees
REVENUE FROM OPERATIONS			
Sale of Products {Refer Note No. 36(a)}		**3262,44,80,037**	3796,28,11,291
Other Operating Revenue:			
- Export Incentives	**21,97,92,351**		25,06,06,504
- Scrap Sales	**6,71,42,622**		11,50,91,646
- Others	**63,41,181**		98,38,749
		29,32,76,154	37,55,36,899
Total Revenue from Operations (Gross)		**3291,77,56,191**	3833,83,48,190
Less: Excise Duty		**50,00,54,197**	53,92,91,854
Total Revenue from Operations (Net)		**3241,77,01,994**	3779,90,56,336

NOTE NO.23	Current Year Rupees		Previous Year Rupees
OTHER INCOME			
Interest Income on:			
- Long Term Investments (Other than trade)	**966**		1,279
- Interest received on Short term Investment	**81,53,671**		NIL
- Interest received on Deposits/Loans and Advances	**5,51,76,319**		2,57,22,982
		6,33,30,956	2,57,24,261
Net gain on foreign currency transaction and translation		**211,32,42,870**	268,62,20,676
Dividend Income on:			
- Long Term Investment in Subsidiaries (Trade)	**NIL**		1,95,000
- Current Investments	**31,94,43,184**		7,56,98,655
		31,94,43,184	7,58,93,655
Diminution of Long Term Investment Written back		**1,68,34,824**	NIL
Net gain on sale of Current Investments		**42,39,57,517**	36,44,007
Other non-operating income		**1,71,25,311**	65,17,998
		295,39,34,662	279,80,00,597

NOTE NO.24	Current Year Rupees	Previous Year Rupees
COST OF MATERIAL CONSUMED		
Raw Material Consumed (Refer Note no. 33)	**1389,35,20,542**	1944,82,90,267

NOTE NO.25	Current Year Rupees	Previous Year Rupees
PURCHASE OF STOCK IN TRADE		
Purchase of Traded Goods {Refer Note No. 36(b)}	**5,13,78,312**	7,28,05,235

NOTE NO.26	Current Year Rupees	Previous Year Rupees
CHANGES IN INVENTORIES OF FINISHED GOODS,WORK IN PROGRESS AND STOCK IN TRADE		
Opening Stock :		
Work-in-Progress	**55,81,80,288**	76,33,33,986
Stock in Trade	**1,77,42,478**	1,01,45,606
Finished Goods	**60,64,78,518**	56,66,95,150
	118,24,01,284	134,01,74,742
Less :		
Closing Stock :		
Work-in-Progress	**39,77,27,596**	55,81,80,288
Stock in Trade	**84,60,215**	1,77,42,478
Finished Goods	**59,73,70,371**	60,64,78,518
	100,35,58,182	118,24,01,284
Net (Increase)/Decrease in Inventories	**17,88,43,102**	15,77,73,458

NOTE NO.27	Current Year Rupees	Previous Year Rupees
EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	**190,89,31,049**	178,12,52,934
Contribution to provident and other funds	**14,64,46,319**	12,98,50,728
Staff welfare expenses	**3,55,74,665**	3,23,76,845
	209,09,52,033	194,34,80,507

NOTE NO.28	Current Year Rupees	Previous Year Rupees
FINANCE COST		
Interest expenses	**31,73,03,287**	41,28,08,505
Other borrowing cost	**2,37,33,391**	2,44,27,660
Applicable net Loss/(Gain) on foreign currency transactions and translation	**17,76,812**	2,68,00,418
	34,28,13,490	46,40,36,583

NOTE NO.29	Current Year Rupees	Previous Year Rupees
DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and amortisation	**281,13,68,123**	240,20,23,256

NOTE NO.30	Current Year Rupees	Previous Year Rupees
OTHER EXPENSES:		
Consumption of stores and spare parts	**141,16,86,624**	154,14,68,668
Packing material consumed	**89,55,437**	3,50,87,129
Power and fuel(Net)	**116,82,97,338**	156,82,77,046
Freight and forwarding	**126,63,43,080**	185,83,12,635
Excise duty on variation of Finished Goods	**11,65,064**	60,06,524
Labour/Job Charges	**71,84,98,637**	74,00,72,193
Water charges	**1,59,81,920**	1,46,57,997
Repairs and Maintenance to buildings	**18,08,78,639**	17,60,61,795
Repairs and Maintenance to Machinery	**12,31,34,271**	26,65,65,037
Repairs and Maintenance to Others	**7,56,84,285**	5,05,23,838
Insurance Charges	**13,09,53,357**	14,25,10,336
Rates and Taxes excluding taxes on income	**6,12,81,396**	6,80,14,934
Rent	**2,45,80,974**	4,32,06,647
Legal and Professional charges	**22,74,45,385**	42,33,65,118
Advertisement, Publicity and Sales Promotion	**83,88,00,467**	65,34,23,713
Commission	**2,61,79,382**	2,83,15,660
Discount	**2,73,29,795**	3,72,25,723
Travelling Expenses	**11,25,90,148**	14,64,47,233
Directors Meeting Fees	**11,20,000**	5,17,500
Loss on sale of Fixed Assets	**56,91,436**	12,47,007
Fixed Assets Discarded	**6,11,693**	1,40,09,798
Loss on sale of Long Term Investment	**94,57,263**	NIL
Interest to Others	**36,25,609**	18,26,410
Marketing service expenses	**71,40,91,120**	69,93,82,691
Contribution towards CSR expenses	**13,20,42,522**	11,01,16,830
Miscellaneous expenses	**24,74,42,886**	20,64,76,038
	753,38,68,729	883,31,18,500

NOTE NO.31	Current Year Rupees	Previous Year Rupees
Contingent Liabilities and Commitments		
(i) **Contingent Liabilities**		
(a) Claims against the Company not acknowledge as debts		
- Disputed claims for excise, sales tax, customs and service tax	**120,48,01,419**	103,77,77,048
- Disputed income tax demands	**6,79,98,121**	4,73,05,121
(b) Guarantees given by the Company's bankers on behalf of the Company against the Company's Indemnity	**15,16,89,865**	15,05,90,479
(c) Corporate Guarantee given by the Company:		
- To the President of India through commissioner of Custom	**600,00,00,000**	334,56,88,269
(d) Standby Letter of Credit issued by Company's banker for loan taken by stepdown subsidiary	**22,52,86,500**	NIL
(ii) **Commitments**		
Estimated amount of contracts remaining to be executed on capital account and not provided for	**137,27,53,909**	204,71,90,222

NOTE NO.32	Current Year Rupees	Previous Year Rupees
Value of Imports on CIF Basis :		
(a) Raw materials	**843,38,81,325**	1406,76,76,083
(b) Stores and Spare parts	**11,05,80,764**	34,09,83,964
(c) Capital goods	**31,86,22,739**	100,31,35,826
(d) Others	**85,64,815**	77,50,474
	887,16,49,643	1541,95,46,347

NOTE NO.33	Current Year Rupees	Previous Year Rupees
Consumption of Raw Materials:		
(a) Rubber	**740,05,33,086**	984,06,45,842
(b) Tyre Cord/Fabrics	**216,23,03,393**	302,35,21,215
(c) Carbon Black	**195,04,46,240**	294,07,97,651
(d) Colours, Chemicals and Other Materials	**238,02,37,823**	364,33,25,559
	1389,35,20,542	1944,82,90,267

NOTE NO.34

Value of Raw Materials and Stores and Spare Parts consumed:

	Raw Materials		Stores and Spare Parts	
	Rupees	%	Rupees	%
(a) Imported	**923,81,94,252**	**66.49**	**25,24,26,759**	**17.88**
	(1584,70,78,013)	(81.48)	(20,56,05,161)	(13.34)
(b) Indigenous	**465,53,26,290**	**33.51**	**115,92,59,865**	**82.12**
	(360,12,12,254)	(18.52)	(133,58,63,507)	(86.66)
	1389,35,20,542	**100.00**	**141,16,86,624**	**100.00**
	(1944,82,90,267)	(100.00)	(154,14,68,668)	(100.00)

NOTE NO.35	Current Year Rupees	Previous Year Rupees
Expenditure in Foreign currency *		
(a) Professional and consultation fees	**5,75,89,428**	18,41,85,838
(b) Interest (Net)	**36,03,68,325**	57,52,52,138
(c) Other matters (Travelling, Subscription, Commission,Sales Promotion etc.)	**160,33,81,212**	176,93,72,943
	202,13,38,965	252,88,10,919
* Including net amount capitalised **Rs.3,10,80,158** (Previous year Rs.15,95,37,575)		

NOTE NO.36	Current Year Rupees	Previous Year Rupees
Information in resepect of :		
(a) **Sale of Products:**		
Tyres	**3212,55,94,158**	3603,34,07,874
Tubes	**42,88,44,370**	41,76,46,584
Tyre Flaps	**7,00,41,509**	6,50,20,971
Others (Refer Note No.49 (a))	**NIL**	144,67,35,862
	3262,44,80,037	3796,28,11,291
(b) **Purchase of Traded Goods:**		
Tyres	**44,25,008**	68,75,177
Tubes	**1,25,76,855**	2,76,34,936
Tyre Flaps	**3,43,76,449**	3,82,95,122
	5,13,78,312	7,28,05,235

NOTE NO.37	Current Year Rupees	Previous Year Rupees
Earning in Foreign exchange :		
(a) Export of goods on FOB Basis	**2710,83,58,073**	3099,04,38,235
(b) Recovery towards Freight and Insurance on Export	**73,80,42,450**	122,48,23,006
(c) Others	**42,04,474**	30,32,737
	2785,06,04,997	3221,82,93,978

NOTE NO.38

Details of Current Investment in units of Mutual funds purchased and sold during the year :

Name of Mutual Fund	Purchased During the Year		Sold / Redeemed During the Year	
	No. of Units	Cost Rs.	No. of Units	Cost Rs.
AXIS LIQUID FUND - DAILY DIVIDEND - DIRECT PLAN - REINVESTMENT (CF-DR)	1,90,180	19,02,41,729	1,90,180	19,02,41,729
AXIS ENHANCED ARBITRAGE FUND - DIRECT PLAN - DIVIDEND REINVESTMENT	37,84,152	4,03,75,761	37,84,152	4,03,75,761
BIRLA SUN LIFE FLOATING RATE FUND LONG TERM PLAN - DAILY DIVIDEND - DIRECT PLAN	19,92,774	20,00,58,154	19,92,774	20,00,58,154
BIRLA SUN LIFE ENHANCED ARBITRAGE FUND - DIVIDEND - DIRECT PLAN	1,87,34,344	20,69,95,524	1,87,34,344	20,69,95,524
BIRLA SUN LIFE CASH MANAGER FUND - DAILY DIVIDEND - REGULAR PLAN	20,19,508	20,27,48,526	20,19,508	20,27,48,526
BIRLA SUN LIFE CASH MANAGER FUND - DAILY DIVIDEND - DIRECT PLAN	1,59,08,841	159,66,57,389	1,59,08,841	159,66,57,389
BIRLA SUN LIFE CASH PLUS - DAILY DIVIDEND - DIRECT PLAN	14,98,035	15,00,95,581	14,98,035	15,00,95,581
FRANKLIN INDIA ULTRA SHORT BOND FUND SUPER I/P - DIRECT - DIVIDEND PLAN	22,89,11,475	230,34,90,388	22,89,11,475	230,34,90,388
HDFC ARBITRAGE FUND - WHOLESALE PLAN- DIVIDEND - DIRECT PLAN	38,92,94,297	412,33,39,663	38,92,94,297	412,33,39,663
HDFC FLOATING RATE INCOME FUND - SHORT TERM PLAN - WHOLESALE OPTION - DIRECT PLAN - DAILY DIVIDND	25,96,43,965	261,74,43,258	25,96,43,965	261,74,43,258
HDFC LIQUID FUND - DIRECT PLAN - DAILY DIVIDEND	7,03,29,027	396,71,96,914	7,03,29,027	396,71,96,914
ICICI PRUDENTIAL ULTRA SHORT TERM - DIRECT PLAN - DAILY DIVIDEND	18,73,22,242	189,31,17,629	18,73,22,242	189,31,17,629
ICICI PRUDENTIAL FLEXIBIBLE INCOME - DIRECT PLAN - DAILY DIVIDEND	9,46,013	10,00,27,394	9,46,013	10,00,27,394
ICICI PRUDENTIAL LIQUID - DIRECT PLAN - DIVIDEND - DAILY REINVEST	1,08,05,345	108,11,45,013	1,08,05,345	108,11,45,013
ICICI PRUDENTIAL EQUITY ARBITRAGE FUND - DIRECT PLAN - DIVIDEND	4,88,26,509	69,32,57,068	4,88,26,509	69,32,57,068
IDFC CASH PLUS FUND - REGULAR PLAN - DAILY DIVIDEND	5,15,157	51,55,10,744	5,15,157	51,55,10,744
IDFC ULTRA SHORT TERM FUND - REGULAR PLAN - DAILY DIVIDEND	1,20,09,873	12,03,30,216	1,20,09,873	12,03,30,216
IDFC ARBITRAGE FUND - DIVIDEND - DIRECT PLAN	7,96,84,669	102,12,74,982	7,96,84,669	102,12,74,982
IDFC ULTRA SHORT TERM FUND - DIRECT PLAN - DAILY DIVIDEND	9,04,24,743	90,92,29,833	9,04,24,743	90,92,29,833
KOTAK EQUITY ARBITRAGE FUND - DIVIDEND - DIRECT PLAN	2,54,42,686	51,51,34,939	2,54,42,686	51,51,34,939
L & T ARBITRAGE OPPORTUNITIES FUND - DIVIDEND - DIRECT PLAN	1,01,33,261	10,45,10,516	1,01,33,261	10,45,10,516
MIRAE ASSET CSH MANAGEMENT FUND - DIRECT PLAN - DAILY DIVIDEND	1,19,410	12,73,68,258	1,19,410	12,73,68,258
SBI ULTRA SHORT TERM DEBT FUND - DIRECT PLAN - DAILY DIVIDEND	16,37,971	164,61,57,968	16,37,971	164,61,57,968
SBI ARBITRAGE OPPORTUNITIES FUND - DIVIDEND - DIRECT PLAN	13,86,29,065	191,69,49,719	13,86,29,065	191,69,49,719
TATA FLOATER FUND - DIRECT PLAN - DAILY DIVIDEND	8,10,537	81,33,99,100	8,10,537	81,33,99,100
UTI-FLOATING RATE-STP-DIRECT PLAN - DAILY DIVIDEND	12,56,472	135,30,55,659	12,56,472	135,30,55,659
UTI-FLOATING RATE-STP-REGULAR PLAN - DAILY DIVIDEND	2,84,691	30,65,76,885	2,84,691	30,65,76,885
UTI LIQUID CASH PLAN INSTITUTIONAL - DIRECT PLAN - DAILY DIVIDEND REINVESTMENT	39,285	4,00,48,678	39,285	4,00,48,678
DHFL PRAMERICA DYNAMIC BOND FUND - DIRECT PLAN - GROWTH OPTION	7,230	1,00,00,000	7,230	1,00,00,000
GRAND TOTAL	**160,12,01,757**	**2876,57,37,485**	**160,12,01,757**	**2876,57,37,485**

NOTE NO.39

SEGMENT INFORMATION :

(a) Primary Business Segments:-

The Company has Mainly one business segment, namely Tyres(including Tubes and Flaps) therefore primary business segment reporting as required by AS-17 is not applicable.

(b) Secondary Segment - Geographical by location of customers

	Rupees	Rupees
Segment Revenue		
Revenue from Operations :		
In India		**457,13,01,471**
		(558,37,95,095)
Outside India		
Europe	**1688,95,50,506**	
	(1872,06,37,619)	
North America	**457,46,12,848**	
	(602,97,31,368)	
Others	**638,22,37,169**	
	(746,48,92,254)	
		2784,64,00,523
		(3221,52,61,241)
Total		**3241,77,01,994**
		(3779,90,56,336)
Segment Assets		
In India		**4021,57,93,280**
		(4218,23,46,407)
Outside India		
Europe	**349,99,06,604**	
	(396,04,09,477)	
Others	**169,67,87,821**	
	(255,46,40,295)	
		519,66,94,425
		(651,50,49,772)
Total		**4541,24,87,705**
		(4869,73,96,179)
Total Cost incurred during the year to acquire Segment Fixed Assets		
In India		**323,66,95,763**
		(496,37,86,921)
Outside India		**NIL**
		(NIL)
Total		**323,66,95,763**
		(496,37,86,921)
Segment Assets excludes -Investments		**832,46,04,600**
		(444,86,40,832)

NOTE NO.40

Earning Per Share (EPS)

(In accordance with Accounting Standard - 20)

	Current Year Rupees	Previous Year Rupees
Profit After Tax	**567,66,64,893**	488,81,15,217
Add:/(Less): Income Tax of Earlier Year	**NIL**	9,47,24,126
Profit after Taxation of earlier years	**567,66,64,893**	498,28,39,343
Number of Equity Shares outstanding for Basic/Diluted Earning Per Share	**966,58,595**	966,58,595
Nominal Value of Equity Shares (in Rupees)	**2.00**	2.00
Earning Per Share Basic/Diluted	**58.73**	51.55

NOTE NO.41

Related Party Disclosures *

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

(Where transactions have taken place)

(a) Key Management Personnel (KMP)

Mr. Arvind Poddar - Chairman & Managing Director, Mrs. Vijayalaxmi Poddar - Executive Director(up to 08.08.2015), Mr. Rajiv Poddar - Joint Managing Director, Mr.Vipul Shah - Director & Company Secretary, Mr. Basant Bansal - Director Finance.

(b) Relatives of Key Management Personnel :

Mrs. Vijayalaxmi Poddar-(w.e.f. 09.08.2015) Mrs. Khushboo Poddar, Mrs. Pooja Dhoot, Mrs. Shyamlata Poddar, Mr. Abhishek Bansal.

(c) Other Related Parties -(Enterprises-KMP having significant influence/owned by major shareholders) Siyaram Silk Mills Ltd., Clothing Culture Ltd, Nirvikara Paper Mills Ltd.

Related Party Transactions **(In Rupees)**

Transactions	KMP	Relatives of (KMP)	Other Related Parties	Total
Purchase of Goods/Materials	**NIL**	**NIL**	**2,15,59,176**	**2,15,59,176**
	(NIL)	(NIL)	(92,85,640)	(92,85,640)
Sales of Goods/Materials	**NIL**	**NIL**	**2,100**	**2,100**
	(NIL)	(NIL)	(NIL)	(NIL)
Expenses reimbursed	**NIL**	**NIL**	**NIL**	**NIL**
	(NIL)	(NIL)	(4,32,160)	(4,32,160)
Rent/Lease Rent Paid	**NIL**	**1,06,10,044**	**NIL**	**1,06,10,044**
	(NIL)	(1,04,71,428)	(40,42,511)	(145,13,939)
Rent received	**NIL**	**NIL**	**32,63,531**	**32,63,531**
	(NIL)	(NIL)	(5,81,248)	(5,81,248)
Recovery of expenses	**NIL**	**NIL**	**32,32,011**	**32,32,011**
	(NIL)	(NIL)	(40,13,274)	(40,13,274)
Vehicle Hiring Charges	**NIL**	**4,80,000**	**NIL**	**4,80,000**
	(NIL)	(4,80,000)	(NIL)	(4,80,000)
Remuneration/Meeting Fees	**63,28,28,613**	**44,80,907**	**NIL**	**63,73,09,520**
	(61,59,54,244)	(60,00,072)	(NIL)	(62,19,54,316)
Payables	**49,43,24,731**	**16,800**	**NIL**	**49,43,41,531**
	(44,41,53,814)	(16,800)	(NIL)	(44,41,70,614)

Disclosure in Respect of Material Related Party Transaction during the year :

1 Purchase of Goods/Materials includes : Clothing Culture Ltd. **Rs.2,15,59,176** (Previous Year Rs.88,92,844), Siyaram Silk Mills Ltd. **Rs. NIL** (Previous Year Rs.3,92,796).

2 Sale of Goods/Materials includes : Clothing Culture Ltd. **Rs.2,100** (Previous Year Rs.NIL).

3 Expenses reimbursed includes : Clothing Culture Ltd. **Rs.NIL** (Previous Year Rs.4,32,160).

4 Rent Paid includes : Mrs. Pooja Dhoot **Rs.1,06,10,044** (Previous Year Rs. 1,04,71,428), Siyaram Silk Mills Ltd. **Rs. NIL** (Previous Year Rs 40,42,511).

5 Rent Received includes : Clothing Culture Ltd. **Rs.31,82,066** (Previous Year Rs.5,69,666), Nirvikara Paper Mills Ltd. **Rs.81,465** (Previous Year Rs.11,582).

6 Recovery of Expenses includes : Clothing Culture Ltd. **Rs. 30,16,011** (Previous Year Rs.39,22,631), Nirvikara Paper Mills Ltd. **Rs. 2,16,000** (Previous Year Rs.90,643).

7 Vehicle Hiring Charges includes : Mr. Abhishek Bansal **Rs. 4,80,000** (Previous Year Rs.4,80,000).

8 Payment to Key Managerial Personnel includes : Mr. Arvind Poddar **Rs. 32,99,66,107** (Previous Year Rs. 27,83,77,817), Mr. Rajiv Poddar **Rs.24,09,75,077** (Previous Year Rs.19,70,22,787), Mrs. Vijaylaxmi Poddar **Rs.4,65,66,503** (Previous Year Rs.12,66,75,421), Mr. Basant Bansal **Rs.1,14,72,632** (Previous Year Rs.1,04,71,759), Mr. Vipul Shah **Rs.38,48,294** (Previous Year Rs.34,06,460), Payment to Relatives of Key Managerial Personnel includes : Mrs. Vijaylaxmi Poddar **Rs.1,20,000** (Previous Year Rs. NIL), Mrs. Khushboo Poddar **Rs.33,79,329** (Previous Year Rs.30,00,036), Mrs. Shyamlata Poddar **Rs.9,81,578** (Previous Year Rs.30,00,036).

9 Payables to Key Management Personnel includes : Mr. Arvind Poddar **Rs 27,00,00,000.** (Previous Year Rs.21,00,00,000), Mr. Rajiv Poddar **Rs.19,20,00,000** (Previous Year Rs.14,40,00,000), Mrs. Vijaylaxmi Poddar **Rs. 3,19,35,483** (Previous Year Rs.9,00,00,000), Mr. Basant Bansal **Rs 1,21,443** (Previous Year Rs. NIL), Mr. Vipul Shah **Rs.2,67,804** (Previous Year Rs.1,53,814), Payables to Relatives of Key Managerial Personnel includes : Mrs. Khushboo Poddar **Rs.16,800** (Previous Year Rs.8,400), Mrs. Shyamlata Poddar **Rs.NIL** (Previous Year Rs. 8,400).

Transactions with subsidiary **(In Rupees)**

Transactions	BKT Exim Ltd	BKT TIRES, INC.	BKT EUROPE S.R.L.	BKT TIRES (CANADA)INC.	BKT USA INC
Marketing Service Expenses	**NIL**	**14,94,93,925**	**32,91,97,963**	**3,81,56,727**	**18,84,63,216**
	(NIL)	(9,40,11,382)	(40,97,77,251)	(2,74,93,420)	(15,24,21,763)
Gurantee Comission Received	**NIL**	**NIL**	**14,64,362**	**NIL**	**NIL**
	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
Interest received on Debenture	**81,53,671**	**NIL**	**NIL**	**NIL**	**NIL**
	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
Investment in Debenture	**29,40,00,000**	**NIL**	**NIL**	**NIL**	**NIL**
	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
Sale of goods/Materials	**NIL**	**12,56,69,537**	**4,45,78,759**	**NIL**	**NIL**
	(NIL)	(21,34,65,291)	(13,11,33,625)	(NIL)	(11,22,62,943)
Purchase of Investment	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
	(40,00,000)	(NIL)	(NIL)	(NIL)	(NIL)
Receivables	**73,38,304**	**5,53,67,737**	**NIL**	**NIL**	**NIL**
	(NIL)	(11,48,16,717)	(22,21,51,221)	(NIL)	(7,64,12,326)
Payables	**NIL**	**NIL**	**2,96,31,314**	**42,45,979**	**3,12,61,369**
	(NIL)	(NIL)	(NIL)	(29,38,406)	(NIL)
Guarnatee given to Company's Banker on behalf of step down subsidary	**NIL**	**NIL**	**22,52,86,500**	**NIL**	**NIL**
	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)

* Parties identified by the Management and relied upon by the auditors.

No amount in respect of related parties have been written off/back or are provided for.

NOTE NO.42		Current Year Rupees	Previous Year Rupees
Leases - Operating leases :			
(i)	The company has taken commercial premises under cancellable operating leases.		
(ii)	The rental expenses recognised in the statement of Profit and Loss for operating leases :		
	(a) Minimum Rent	**2,33,89,952**	3,72,10,705
	(b) Contingent Rent	**NIL**	NIL
(iii)	The Company has given certain portion of its office premises on operating lease. The said agreement can be terminated by giving one month prior written notice by the lessee or the Company.		
	Gross carrying amount of the furnished office premises leased, included in Note No. '12' of Fixed Assets	**17,13,76,245**	15,80,11,029
	Accumulated Depreciation	**4,94,96,831**	3,54,86,683
	Depreciation recognised in the statement of Profit and Loss	**95,17,331**	1,38,51,671

NOTE NO.43

(a) As at 31st March,2016, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

(b) The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

NOTE NO.44	Current Year	Previous Year
Derivative Instruments		
(a) Hedging Contracts :		
(i) The Company uses forward exchange contracts to hedge its exposure to foreign exchanges and the Company does not use such contracts for trading or speculation purpose.		
(ii) Derivative Instruments outstanding		
Forward Exchange Contracts :		
Total No. of contracts outstanding for amount receivable on account of Export of Goods.	**362**	266
Foreign Currency Value covered :		
US Dollars	**42,78,00,000**	18,96,83,900
Euro	**1,10,00,000**	11,60,00,000
(b) Hedged foreign currency exposure is as follows:		
Amounts Payable :		
Loans:		
US Dollars	**2,97,09,126**	5,87,00,063
Euro	**1,69,55,214**	2,44,22,391
(c) Unhedged foreign currency exposure is as follows:		
Amounts Payable :		
Loans:		
US Dollars	**21,66,66,667**	27,65,45,922
Interest US Dollars	**1,28,421**	1,87,801
Payables for goods and services:		
US Dollars	**60,78,998**	83,08,919
Euro	**19,22,946**	23,82,235
GBP	**12,211**	NIL
CAD	**83,616**	59,419
AED	**1,753**	NIL
SGD	**NIL**	24,680
Amounts Receivable:		
Advances :		
US Dollar	**26,30,347**	76,59,037
Euro	**9,227**	37,115
GBP	**NIL**	2,700
Balance with Scheduled Banks		
On Current Accounts:		
US Dollar	**5,92,574**	44,682
Euro	**5,98,389**	5,33,355

NOTE NO.45

Disclosures in accordance with accounting standard AS-15 on "Employee Benefits".

Defined benefit plans - As per actuarial valuation in respect of gratuity

Sr. no.	Descriptions	Current Year Rupees	Previous Year Rupees
i	**Components of employer expenses**		
	Current Service Cost	**1,64,78,023**	1,53,56,108
	Interest Cost	**1,14,02,752**	1,02,05,843
	Expected Return on Plan Assets	**(1,03,12,995)**	(1,09,70,915)
	Actuarial-(Gain)/Loss (Net)	**3,39,68,371**	2,71,66,169
	Total Expenses recognised in the statement of Profit & Loss Account in Note No. 27	**5,15,36,151**	4,17,57,205
ii	**Actual Contribution and Benefit Payments for the year end**		
	Actual Benefit Payments	**46,66,488**	26,55,448
	Actual Contributions	**2,88,62,727**	1,83,64,942
iii	**Net Asset recognised in balance sheet at the year end**		
	Present Value of Defined Benefit Obligation	**20,14,13,807**	14,36,11,482
	Fair value of plan assets	**16,50,15,491**	12,98,86,590
	Net Liability/(Asset) recognised in balance sheet	**3,63,98,316**	1,37,24,892

Sr. no.	Descriptions	Current Year Rupees	Previous Year Rupees
iv	**Reconciliation of Opening and Closing Balances of Defined Benefit Obligations (DBO)**		
	Present Value of DBO at the beginning of the year	**14,36,11,482**	9,64,92,279
	Liabilities transfer in	**NIL**	1,51,97,393
	Current Service cost	**1,64,78,023**	1,53,56,108
	Interest cost	**1,14,02,752**	1,02,05,843
	Actuarial Loss/(Gain) on DBO	**3,45,88,038**	2,69,73,558
	Benefits paid	**(46,66,488)**	(26,55,448)
	Liabilities transfer out	**NIL**	(1,79,58,251)
	Present Value of DBO at the end of the year	**20,14,13,807**	14,36,11,482
v	**Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets**		
	Plan assets at the beginning of the year	**12,98,86,590**	10,40,32,371
	Assets transfer in	**NIL**	1,59,81,739
	Expected return on plan assets	**1,03,12,995**	1,09,70,915
	Actual Company contributions	**2,88,62,727**	1,83,64,942
	Actuarial (Loss)/Gain on Plan Assets	**6,19,667**	(1,92,611)
	Benefits paid	**(46,66,488)**	(26,55,448)
	Assets transfer out	**NIL**	(1,66,15,318)
	Plan assets at the end of the year	**16,50,15,491**	12,98,86,590
vi	**Actuarial Assumptions**		
	Discount Rate	**8.04%**	7.94%
	Expected Return on plan Assets	**8.04%**	7.94%
	Salary escalation	**6.00%**	4.50%

(a) Defined Contribution Plans-

The Company's contribution to defined contribution plans aggregating to **Rs.9,49,10,169** (Previous Year Rs.9,02,20,802) has been recognised in the statement of profit and loss under the heading 'Contribution to Provident and Other Funds' (Note No. 27) .

(b) The assumption of future salary increase, considered in actuarial valuation, takes into account of inflation and other relevant factors.

NOTE NO.46	Current Year Rupees	Previous Year Rupees
Payment to Auditors		
(a) Statutory Auditors		
- Audit Fees	**28,00,000**	29,00,000
- For Tax Audit	**9,50,000**	6,15,000
- For Taxation Matters	**6,20,000**	6,10,000
- For Company Law matters	**3,00,000**	3,10,000
- For Other services - Certification, etc.	**10,85,000**	12,37,500
- For reimbursement of expenses		
- Service Tax	**8,23,335**	7,03,470
- Expenses	**1,07,000**	19,000
(b) Cost Auditors		
- Audit Fees	**NIL**	64,726
- For Reimbursement of Service Tax	**NIL**	8,000

NOTE NO.47	Current Year Rupees	Previous Year Rupees
(a) Amount of Borrowing Cost capitalised (Net)	**17,36,44,311**	42,01,71,302
(b) Research and Development Cost/Expenditure		
- Revenue	**12,68,88,014**	11,73,03,058
- Capital	**3,93,23,880**	7,57,55,709
Total of Research and Development Cost/Expenditure	**16,62,11,894**	19,30,58,767

NOTE NO.48

Amount remitted in foreign currency on account of dividend:

The Company has not made any remittance in foreign currencies on account of dividend and does not have information as to the extent to which remittance in foreign currencies on account of dividend has been made by or on behalf of the non-resident shareholders. The particulars of dividends paid to non-resident shareholders are as under :

		Current Year		Previous Year
(a)	Years to which dividends relate	**2015-16 (Interim)**	**2014-15**	2013-14
(b)	Number of non-resident Shareholders	**712**	**682**	471
(c)	Number of Shares held by them	**1,25,19,857**	**1,29,02,049**	1,24,23,364
(d)	Amount in Rupees remitted to Banks/Addresses in India of the non-resident Shareholders	**6,88,59,214**	**3,09,64,917**	2,48,46,728

NOTE NO.49

(a) The figures for the year ended 31st March 2016 are not comparable with the corresponding figures of the current year consequent to amalgamation of Balkrishna Paper Mills Limited into the company and its subsequent de-merger to Nirvikara Paper Mill Limited during the previous year.

(b) The board has in principle approved a proposal of amalgamation of its wholly owned subsidiary company viz. BKT Exim Limited into the company subject to necessary approvals from relevant authorities.

NOTE NO.50

Nature of Security in respect of secured Loan (Long Term/Short Term):	**Rupees**
Working Capital Loans from Banks Repayable on Demand:	
Secured by first charge by way of hypothecation of Inventories, Receivables and other movables on pari-passu basis and further secured by second charge by way of hypothecation on all the present and future movable fixed assets of the Company on pari - passu basis and immovable fixed assets of the Company situated at Bhiwadi, Chopanki, Jaisalmer & major assets at Bhuj Units and office premises at Creative Industrial Estate - Mumbai on pari-passu basis.	**284,89,75,040**
Term Loan from Banks:	
(a) Secured by first charge by way of hypothecation on the all present and future movable fixed assets of the Company on pari - passu basis and immovable fixed assets of the Company situated at Bhiwadi, Chopanki, Jaisalmer & major assets at Bhuj Units and office premises at Creative Industrial Estate - Mumbai on pari - passu basis and further secured by second charge by way of hypothecation of Inventories, Receivables and other movables on pari-passu basis.	
(Repayment in 3 Annual Equal Installments beginning from financial Year 2016-17, Rate of Interest LIBOR + 100 bppa)	**663,32,90,000**
(b) To be Secured by first charge by way of hypothecation on the all present and future movable fixed assets of the Company on pari - passu basis and immovable fixed assets of the Company situated at Bhiwadi, Chopanki, Jaisalmer and office premises at Creative Industrial Estate - Mumbai on pari - passu basis and further to be secured by second charge by way of hypothecation of Inventories, Receivables and other movables on pari-passu basis.	
(Repayment in 2 Annual Equal Installments beginning from financial Year 2016-2017, Rate of Interest LIBOR + 80 bppa)	**773,88,38,334**

NOTE NO.51

(i) Figures in brackets in notes 34,39 and 41 pertain to previous year.

(ii) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date attached

For **JAYANTILAL THAKKAR & CO.**
Chartered Accountants

VIRAL A. MERCHANT
Partner

Mumbai,
Dated: 18th May, 2016

For and on behalf of the Board of Directors

ARVIND PODDAR
Chairman & Managing Director

RAJIV PODDAR
Joint Managing Director

BASANT BANSAL
Director (Finance)

VIPUL SHAH
Director & Company Secretary

Mumbai,
Dated: 18th May, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

		Year Ended 31st March, 2016		Year Ended 31st March, 2015	
		Rupees		Rupees	
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	Profit before Tax		**846,88,92,325**		727,55,29,128
	Adjustment for :				
	Depreciation and Amortisation	**281,13,68,123**		240,20,23,256	
	Diminutiion of Long Term Investment Written back	**(1,68,34,824)**		NIL	
	Income from Investments	**(73,39,43,438)**		(7,95,38,940)	
	Finance Cost	**34,28,13,490**		46,40,36,583	
	Interest Income	**(6,33,30,956)**		(2,57,22,982)	
	Loss/(Profit) on Sale of Fixed Assets	**56,91,436**		12,47,007	
	Fixed Assets Discarded/Written Off	**6,11,693**		1,40,09,798	
	Unrealised Foreign Exchange differences	**2,93,45,929**		1,44,04,288	
	Retiring Gratuity	**5,15,36,150**		3,96,29,926	
	Leave Encashment	**2,44,23,301**		2,78,60,397	
			245,16,80,904		285,79,49,333
	Operating profit before working capital changes		**1092,05,73,229**		1013,34,78,461
	Adjustment for:				
	Trade and other receivables	**151,22,21,682**		39,54,21,736	
	Inventories	**105,61,29,246**		137,06,34,288	
	Trade payables	**(15,91,19,524)**		2,08,06,166	
			240,92,31,404		178,68,62,190
	Cash generated from operations		**1332,98,04,633**		1192,03,40,651
	Direct taxes paid		**(232,66,71,670)**		(210,29,74,208)
	Gratuity paid		**(2,88,62,726)**		(1,83,64,942)
	Leave Encashment paid		**(1,34,66,458)**		(98,61,264)
	Net cash from Operating Activities		**1096,08,03,779**		978,91,40,237
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Purchase of Fixed Assets & Capital Work in Progress	**(242,28,64,724)**		(366,88,76,992)	
	Sale of Fixed Assets	**3,65,64,197**		71,49,050	
	Purchase of Investments	**(3650,86,19,485)**		(1080,42,81,906)	
	Sale of Investments	**3306,39,90,794**		1003,52,71,910	
	Inter Corporate Loan Given	**(33,50,00,000)**		(25,00,000)	
	Inter Corporate Loan Refund Received	**10,75,00,000**		1,50,00,000	
	Interest received	**5,10,88,785**		91,18,994	
	Dividend Received on Investments	**31,94,43,184**		7,95,37,661	
	Net cash used in Investing Activities		**(568,78,97,249)**		(432,95,81,283)
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**				
	Proceeds from Short Term Borrowings (Net)	**443,90,42,137**		(100,58,20,749)	
	Proceeds from Long Term Borrowings	**779,76,28,115**		4264,69,26,782	
	Repayment of Long Term Borrowings	**(1753,43,74,898)**		(4224,93,41,756)	
	Dividend paid (including tax thereon)	**(91,33,05,435)**		(22,49,17,104)	
	Finance Cost paid	**(34,60,48,652)**		(46,48,60,179)	
	Net Cash from Financing Activities		**(655,70,58,733)**		(129,80,13,006)
	Add:On account of Scheme of Arrangement(Refer Note No.51)		**NIL**		5,21,10,173
	Net Increase in cash and cash equivalent		**(128,41,52,203)**		421,36,56,121
	Exchange difference on cash and cash equivalent - Gain		**12,85,581**		(3,97,821)
	Cash and cash equivalent as at the beginning of the year		**431,13,05,089**		9,80,46,789
	Cash and cash equivalent as at the end of the year		**302,84,38,468**		431,13,05,089

Note :Direct Taxes paid on income are treated as arising from Operating Activities and are not bifurcated between Investing and Financing Activities.

As per our report of even date attached

For **JAYANTILAL THAKKAR & CO.**
Chartered Accountants

VIRAL A. MERCHANT
Partner

Mumbai,
Dated: 18th May, 2016

For and on behalf of the Board of Directors

ARVIND PODDAR
Chairman & Managing Director

RAJIV PODDAR
Joint Managing Director

BASANT BANSAL
Director (Finance)

VIPUL SHAH
Director & Company Secretary

Mumbai,
Dated: 18th May, 2016

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF BALKRISHNA INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of BALKRISHNA INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company")and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act")that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

(a) We did not audit the financial statements of the foreign subsidiaries , whose financial statements reflect total assets of Rs.50,39,98,202 as at 31st March, 2016, total revenues of Rs.35,22,54,524 and net cash inflows amounting to Rs.5,84,03,259 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited/ reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

(b)Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section143 (3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, – Refer Note No31 to the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

FOR JAYANTILAL THAKKAR & CO.
Chartered Accountants
(Firm Reg. No. 104133W)

VIRAL A. MERCHANT
Partner
Membership No. 116279

Mumbai,
Dated:18th May,2016

ANNEXURE - A TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of Balkrishna Industries Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

FOR JAYANTILAL THAKKAR & CO.
Chartered Accountants
(Firm Reg. No. 104133W)

VIRAL A. MERCHANT
Partner
Membership No. 116279

Mumbai,
Dated:18th May,2016

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

	PARTICULARS	Note No.	Current Year Rupees		Previous Year Rupees
I	**EQUITY AND LIABILITIES**				
1	**SHAREHOLDERS' FUND**				
	(a) Share Capital	2	**19,33,17,190**		19,33,17,190
	(b) Reserves and Surplus	3	**2768,54,41,730**		2256,64,76,592
				2787,87,58,920	2275,97,93,782
2	**NON-CURRENT LIABILITIES**				
	(a) Long-Term Borrowings	4	**832,28,31,092**		1359,27,71,175
	(b) Deferred Tax Liabilities (Net)	5	**238,23,45,295**		188,70,85,268
	(c) Other Long Term Liabilities	6	**1,36,673**		1,36,673
	(d) Long-Term Provisions	7	**3,63,98,316**		1,37,24,892
				1074,17,11,376	1549,37,18,008
3	**CURRENT LIABILITIES**				
	(a) Short-Term Borrowings	8	**474,04,96,018**		633,44,92,141
	(b) Trade Payables	9	**341,13,11,279**		398,64,41,487
	(c) Other Current Liabilities	10	**704,57,89,443**		425,51,45,092
	(d) Short-Term Provisions	11	**8,65,42,740**		35,39,10,022
				1528,41,39,480	1492,99,88,742
	TOTAL			**5390,46,09,776**	5318,35,00,532
II	**ASSETS**				
1	**NON-CURRENT ASSETS**				
	(a) Fixed Assets				
	(i) Tangible Assets	12	**2850,16,00,646**		2414,11,04,176
	(ii) Intangible Assets	13	**4,15,52,709**		1,28,38,506
	(iii) Capital Work-in-Progress		**231,07,23,240**		634,03,79,554
				3085,38,76,595	3049,43,22,236
	(b) Non-Current Investments	14		**561,26,04,600**	57,56,40,835
	(c) Long-Term Loans and Advances	15		**135,85,38,146**	139,97,40,900
2	**CURRENT ASSETS**				
	(a) Current Investments	16	**241,00,00,000**		386,49,99,996
	(b) Inventories	17	**296,93,84,759**		411,40,87,274
	(c) Trade Receivables	18	**557,94,05,528**		581,15,16,416
	(d) Cash and Bank Balances	19	**329,85,04,184**		434,20,80,796
	(e) Short-Term Loans and Advances	20	**179,74,39,122**		256,86,21,524
	(f) Other Current Assets	21	**2,48,56,842**		1,24,90,555
				1607,95,90,435	2071,37,96,561
	TOTAL			**5390,46,09,776**	5318,35,00,532

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS **1 to 44**

The Notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For **JAYANTILAL THAKKAR & CO.**
Chartered Accountants

VIRAL A. MERCHANT
Partner

Mumbai,
Dated: 18th May, 2016

For and on behalf of the Board of Directors

ARVIND PODDAR
Chairman & Managing Director

RAJIV PODDAR
Joint Managing Director

BASANT BANSAL
Director (Finance)

VIPUL SHAH
Director & Company Secretary

Mumbai,
Dated: 18th May, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	PARTICULARS	Note No.	Current Year Rupees	Previous Year Rupees
I	**Revenue From Operations**	22	**3258,73,43,808**	3816,79,73,595
II	**Other Income**	23	**294,89,03,680**	277,44,14,080
III	**Total Revenue (I+II)**		**3553,62,47,488**	4094,23,87,675
IV	**Expenses :**			
	Cost of Materials Consumed	24	**1389,35,20,542**	1953,41,95,287
	Purchases of Stock-in-Trade	25	**6,67,16,781**	9,45,30,049
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	**26,25,55,580**	15,49,93,494
	Employee Benefits Expense	27	**238,31,53,041**	227,33,53,660
	Finance Cost	28	**34,29,99,421**	47,58,42,069
	Depreciation and Amortization Expense	29	**281,28,07,948**	243,69,91,808
	Other Expenses	30	**720,05,56,146**	883,91,06,239
	Total Expenses		**2696,23,09,459**	3380,90,12,605
V	**Profit Before Tax (III-IV)**		**857,39,38,029**	713,33,75,071
VI	**Tax Expense:**			
	Current tax		**231,92,60,064**	217,33,16,498
	Deferred tax		**49,52,27,432**	23,43,74,768
VII	**Profit After Tax (V-VI)**		**575,94,50,533**	472,56,83,805
VIII	**Earnings per equity share:**			
	- Basic and Diluted	34	**59.59**	49.87

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS **1 to 44**

The Notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For **JAYANTILAL THAKKAR & CO.**
Chartered Accountants

VIRAL A. MERCHANT
Partner

Mumbai,
Dated: 18th May, 2016

For and on behalf of the Board of Directors

ARVIND PODDAR
Chairman & Managing Director

RAJIV PODDAR
Joint Managing Director

BASANT BANSAL
Director (Finance)

VIPUL SHAH
Director & Company Secretary

Mumbai,
Dated: 18th May, 2016

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO.1

SIGNIFICANTACCOUNTING POLICIES

Basis of preparation of consolidated financial statements

The consolidated financial statement relates to Balkrishna Industries Limited (the Company) and its subsidiaries. The Company and its Subsidiaries constitute the Group. The accounts have been prepared in accordance with historical cost convention and on accrual basis.

Principles of consolidation

The consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS 21) – 'Consolidated Financial Statements', as notified under the Companies (Accounting Standards) Rules, 2006.

The financial statement of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra group balances/ transactions and unrealised profits or losses .

All intra-group transactions have been entered at actual rates. Intragroup balances and intragroup transaction resulting unrealized profits are eliminated in full.

The excess of cost of investments in the Subsidiary Companies over the Company's portion of equity of the Subsidiary at the date of investment made is recognised in the financial statements as goodwill. The excess of Company's portion of equity of the Subsidiaries over the cost of the investment there in is treated as Capital Reserve.

The consolidated financial statements are prepared by using uniform accounting policies for like transactions and other events in similar circumstances are presented to the extent possible, in the same manner as in the Company's separate financial statements unless stated otherwise.

The following subsidiary Companies are considered in the consolidated financial statement.

Sr. No.	Name of the Subsidiary Company	Country of Incorporation	% of holding either directly or through subsidiary in the Current and Previous Year(unless otherwise stated)
	Direct Subsidiaries		
1.	BKT Exim Limited	India	100%
2.	BKT Tyres Limited	India	100%
3.	Thristha Synthetics Limited	India	100%
	Indirect Subsidiaries		
4.	BKT EUROPE S.R.L.	Italy	100%
5.	BKT USA INC	USA	100%
6.	BKT TIRES (CANADA) INC.	Canada	100%
7.	BKT TIRES, INC.	USA	100%
8.	BKT EXIM US, INC.	USA	100%

Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires the Company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual and estimates are recognised in the period in which the results are known/materialised.

Fixed Assets

a) Fixed Assets are stated at cost less depreciation. Cost comprises of purchase price and attributable expenses (including financing charges) and is net of permissible credits/set offs.

b) Expenditure (including financing charges) incurred for fixed assets, the construction / installation/acquisition of which is not completed, is included under the Capital Work-in-Progress and the same is related/classified to the respective fixed assets on the completion.

Depreciation/Amortisation

a) In respect of the Company and its subsidiaries in India :

b) Depreciation on fixed assets (other than leasehold land) has been provided based on useful life of the assets in accordance with Schedule II to the Companies Act, 2013, on Straight Line Method except in respect of Plant and Equipment where the useful life is considered differently based on an independent technical evaluation as 10 to 15 years.

c) Premium on Leasehold Land is amortised over the duration of the Lease.

d) In respect of overseas subsidiaries, depreciation has been provided by the overseas subsidiaries as per the methods and at the rates required/permissible by the local laws so as to write off assets over their useful lives.

Investments

Investments are valued at cost plus attributable expenses of acquisition and are classified as Long Term Investments and Current Investments (investments intended to be held for not more than one year). Long Term Investments are stated at cost. However, where there is a diminution, other than temporary, in the value of a long-term investment, necessary provision is made to recognise the decline. Current Investments are stated at lower of cost and fair value, computed on individual investment basis.

Valuation of Inventories

Inventories are valued at lower of the cost and net realisable value. Cost of inventories is computed on moving weighted average basis. In respect of overseas Subsidiary Companies,Inventories are valued as or the local laws.

Revenue Recognition

Sales-Processing/Job Charges

Sales are inclusive of Excise Duty but excluding Value Added Tax/Central Sales Tax and are net of Trade Discounts, Rebates and Incentives. Processing charges are excluding Excise Duty, as the concerned subsidiary is not liable to pay the duty and the same is borne by the Customer.

Export Benefits

Consumption of Raw Materials is arrived at after adjusting the difference between the cost of indigenous/duty paid imported raw materials and international cost of raw materials entitled to be imported/imported under Duty Exemption Scheme of the Government of India against direct/indirect exports made/to be made by the Company during the year. Export Incentives under Focus Product Scheme and Focus Market Scheme under EXIM policy/ Foreign Trade Policy are accounted for in the year of export. Profit/Loss on sale of such licenses is accounted in the year of sale.

Foreign Exchange Transactions

Transactions in foreign currencies are accounted at the exchange rates prevailing on the day of the transaction. Gains and losses arising out of subsequent fluctuations are accounted on actual payment/realisation. Monetary items related to foreign currency transactions, remaining unsettled at the end of the year are adjusted at the rates prevailing at the year end or are stated at the amounts likely to be realised or required to be disbursed, except for those considered doubtful of recovery. The exchange fluctuation arising on account of such adjustments are dealt in Profit and Loss Account. Non-monetary items are reported by using the exchange rate at the date of transaction.

The Company enters into Forward Contracts to hedge its Foreign Currency Exposures. Premium/ Discount in respect of outstanding forward contracts at the year end are amortised as expense or income over the life of the contract.

Translation of accounts of overseas subsidiaries.(Integral Foreign Operation)

a) Fixed assets are translated in INR by applying the exchange rate prevailing on the date of acquisition of said assets.

b) Other assets/ all outside liabilities have been translated at the exchange rate ruling at the year end.

c) Income and expenses have been translated by applying simple average of exchange rates ruling at the beginning and end of the financial year.

d) Exchange difference arising on account of translation of accounts is taken to the profit and loss account.

Employee Benefits:

(1) In respect of the Company and its subsidiaries in India:

A) Short-term employee benefits:

Short-term employee benefits consisting of wages, salaries, social security contributions, ex-gratia and accrued leave are recognised in the year to which it relates.

B) Post employment benefits:

i) Benefits in the nature of contribution to provident fund, superannuation scheme, employee state insurance scheme etc. provided by the company to the employees have been identified as defined contribution plans in terms of provisions of AS-15 on "Employee Benefits" where the obligation of the company is limited to a pre-agreed amount as fixed by the administrator of those plans. Such contributions are recognised in the year to which they relate.

ii) Benefit in the nature of gratuity paid by company to the employees has been identified as defined benefit plan in terms of provisions of AS-15 on "Employee Benefits". The gratuity scheme in respect of the employees of the company is administered through Life Insurance Corporation of India (LIC). Annual contributions as determined by LIC are charged to Profit and Loss Account. The liability of the company is also determined through actuarial valuation technique at Balance Sheet date and the additional liability, if any, arising out of the difference between the actuarial valuation and the plan assets as at the Balance Sheet date is provided for at the year end.

(2) In respect of overseas subsidiaries the benefits are paid/provided as per the requirement of local laws.

Research and Development

Revenue expenditure on Research and Development is charged to Profit and Loss Account as incurred. Capital expenditure on assets acquired for Research and Development is added to Fixed Assets.

Government Grants

Special Capital Incentive received from the Government for setting up/expansion of an industrial undertaking in underdeveloped area of the State, is credited to Capital Reserve (Capital Incentive Reserve). Government grants/subsidy related to specific fixed assets is reduced from the cost of the asset concerned.

Borrowing Cost

Borrowing costs directly attributable to the acquisition/construction/installation of fixed assets are capitalised as part of the cost of the assets up to the date the assets are put to use. Other borrowing costs are charged to Profit and Loss Account.

Taxation

a) Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the respective taxation laws.

b) Deferred tax assets and liabilities are recognised for timing differences between the accounting and taxable income, based on tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets, subject to the consideration of prudence, are recognised only if there is reasonable certainty that sufficient future taxable income will be available, against which they can be realised. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassure its realisation.

c) Deferred tax at overseas subsidiaries is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the Management, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

Leases

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Profit and Loss Account on accrual basis. Assets leased out under operating lease are capitalised, depreciation thereon is provided in the books and rental income is recognised on accrual basis over the lease term. Assets leased out are stated at original cost and the depreciation thereon is provided in the books

Impairment

The carrying amount of an asset is reviewed at each Balance Sheet date for any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

Provisions, Contingent Liabilities and Contingent Assets

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefit will be required to settle an obligation. Contingent Liabilities, if material, are disclosed by way of notes to the accounts. Contingent Assets are not recognised or disclosed in the financial statements.

NOTE NO. 2	Current Year Rupees	Previous Year Rupees
SHARE CAPITAL		
Authorised :		
44,00,00,000 Equity Shares of Rs.2 each	**88,00,00,000**	88,00,00,000
20,00,000 Redeemable Preference Shares of Rs.10 each	**2,00,00,000**	2,00,00,000
	90,00,00,000	90,00,00,000
Issued Subscribed and fully paid up:		
9,66,58,595 Equity Shares of Rs.2 each fully paid up	**19,33,17,190**	19,33,17,190
	19,33,17,190	19,33,17,190
Terms/rights attached to equity shares:		
All the Equity Shares have equal rights in respect of distribution of dividends and the repayment of capital.		
Shareholder's holding more than 5 % Shares in the Company		
Name of Shareholders	**No. of Shares held**	No. of Shares held
RAP ENTERPRISES LLP	**2,39,67,995**	2,39,67,995
% Holding	**24.80**	24.80
AKP ENTERPRISES LLP	**2,39,98,445**	2,39,98,445
% Holding	**24.83**	24.83

NOTE NO. 3	Current Year Rupees		Previous Year Rupees
RESERVES AND SURPLUS			
(a) Capital Redemption Reserve			
Opening Balance	**NIL**		65,00,000
Less: On account of Scheme of Arrangement	**NIL**		65,00,000
Closing Balance		**NIL**	NIL
(b) Capital Reserve			
Opening Balance	**3,50,985**		1,54,57,052
Less: On account of Scheme of Arrangement	**NIL**		1,51,06,067
Closing Balance		**3,50,985**	3,50,985
(c) Securities Premium Account			
Opening Balance	**12,52,90,824**		71,53,42,628
Less: On account of Scheme of Arrangement	**NIL**		59,00,51,804
Closing Balance		**12,52,90,824**	12,52,90,824
(d) Other Reserve (General Reserve)			
Opening Balance	**1696,93,72,779**		1650,00,00,000
Add: Transferred from Profit and Loss account	**503,06,27,221**		50,00,00,000
Less: Depreciation (net of deferred tax) pursuant to enactment of schedule II of Companies Act, 2013. (Refer Note No.12 and 13)	**NIL**		3,06,27,221
Closing Balance		**2200,00,00,000**	1696,93,72,779
(e) Surplus			
Opening Balance	**547,14,62,003**		152,02,01,555
Add: Net Profit for the current year	**575,94,50,533**		472,56,83,804
Less: On account of Scheme of Arrangement	**NIL**		8,90,86,645
Less: On Account of Disposal of Investment in Subsidiary	**NIL**		17,36,712
Less: Interim Dividend	**53,16,22,273**		NIL
Less: Tax on Interim Dividend	**10,82,25,802**		NIL
Less: Proposed Dividend	**NIL**		23,19,80,628
Less: Tax on Proposed Dividend	**NIL**		4,63,43,497
Less: Transfer to General Reserve	**503,06,27,221**		50,00,00,000
Less: Tax on Dividend of earlier year	**6,37,410**		NIL
Add: Income Tax of Earlier Years	**92**		9,47,24,126
Closing Balance		**555,97,99,921**	547,14,62,003
		2768,54,41,730	2256,64,76,592

NOTE NO.4	Current Year Rupees	Previous Year Rupees
LONG-TERM BORROWINGS		
Secured (Refer Note No. 42)		
Term loans		
- from banks	**829,20,54,720**	1356,13,40,021
Unsecured		
- Deferred Sales Tax under the scheme of Government of Maharashtra (Payable after ten years, from the date of respective loan, in five annual equal installments)	**3,07,76,372**	3,14,31,154
	832,28,31,092	1359,27,71,175

NOTE NO.5	Current Year Rupees	Previous Year Rupees
DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability on account of :		
Depreciation	**244,26,61,206**	193,57,27,310
Deferred Tax Assets on account of :		
Expenses allowable for tax purpose when paid	**6,03,15,911**	4,86,42,042
Net Deferred Tax Liability	**238,23,45,295**	188,70,85,268

NOTE NO.6	Current Year Rupees	Previous Year Rupees
OTHER LONG TERM LIABILITIES		
Others - Security Deposit	**1,36,673**	1,36,673

NOTE NO.7	Current Year Rupees	Previous Year Rupees
LONG TERM PROVISIONS		
Provision for employee benefits - Gratuity	**3,63,98,316**	1,37,24,892

NOTE NO.8	Current Year Rupees	Previous Year Rupees
SHORT TERM BORROWINGS		
Secured (Refer Note No.42)		
- Loans repayable on demand (working capital)	**284,89,75,040**	248,54,55,393
- Other Loans - Against Guarantee	**18,02,29,200**	NIL
Unsecured		
Loans repayable on demand		
- from banks	**171,12,91,778**	384,90,36,748
	474,04,96,018	633,44,92,141

NOTE NO.9	Current Year Rupees	Previous Year Rupees
TRADE PAYABLES		
Trade Payables (including Acceptances)	**341,13,11,279**	398,64,41,487
(Refer Note No. 37 for details of Dues to Micro and Small Enterprises)		

NOTE NO.10	Current Year Rupees	Previous Year Rupees
OTHER CURRENT LIABILITIES		
Current maturities of long-term debt	**608,05,64,905**	365,11,29,979
Interest accrued but not due on borrowings	**1,59,09,504**	1,17,53,731
Income received in advance	**29,28,84,798**	12,16,12,534
Unpaid dividends	**1,23,03,383**	67,99,207
Other payables		
- Payable towards Capital Goods	**41,09,71,803**	35,05,14,589
- Statutory dues towards TDS/VAT/CST/Service Tax etc.	**22,99,86,170**	11,00,05,172
- Security Deposits	**31,68,880**	33,29,880
	704,57,89,443	425,51,45,092

NOTE NO.11	Current Year Rupees	Previous Year Rupees
SHORT-TERM PROVISIONS		
Provision for employee benefits		
- Leave encashment	**8,65,42,740**	7,55,85,897
Others		
- Proposed Dividend	**NIL**	23,19,80,628
- Tax on proposed Dividend	**NIL**	4,63,43,497
	8,65,42,740	35,39,10,022

NOTE NO.12

Fixed Assets	Gross Block (At Cost)				Depreciation (Including Amortization)				(Net Block)	
	Balance As at 01.04.2015	Additions/ Adjustments During the year	Deductions/ Adjustments During the year	Balance As at 31.03.2016	Total upto 31.03.2015	* For the Year	Deductions During the year	Total upto 31.03.2016	As At 31.03.2016	As At 31.03.2015
Tangible assets										
(a) Land										
- Freehold	37,01,63,256	NIL	NIL	37,01,63,256	NIL	NIL	NIL	NIL	37,01,63,256	37,01,63,256
- Leasehold	20,63,83,513	NIL	NIL	20,63,83,513	1,64,04,910	24,10,737	NIL	1,88,15,647	18,75,67,866	18,99,78,603
(b) Buildings	621,23,03,296	254,85,18,623	NIL	876,08,21,919	56,33,68,285	26,54,11,975	NIL	82,87,80,260	793,20,41,659	564,89,35,011
(c) Plant and Equipment	2387,97,74,776	395,06,22,560	6,85,57,507	2776,18,39,829	771,59,19,780	220,91,66,814	3,94,34,316	988,56,52,278	1787,61,87,551	1616,38,54,996
(d) Factory Equipment	101,24,85,521	2,70,60,434	2,28,853	103,93,17,102	26,83,62,583	12,10,97,183	1,24,348	38,93,35,418	64,99,81,684	74,41,22,938
(e) Furniture and Fixtures	15,94,10,921	38,89,83,229	NIL	54,83,94,150	6,73,63,338	3,68,49,921	NIL	10,42,13,259	44,41,80,891	9,20,47,583
(f) Vehicles	16,53,09,932	6,44,35,275	1,96,27,431	21,01,17,776	4,95,70,318	2,56,48,978	65,18,292	6,87,01,004	14,14,16,772	11,57,39,614
(g) Office Equipment	4,71,00,927	3,06,98,181	3,08,410	7,74,90,698	2,73,17,198	1,20,00,072	2,58,156	3,90,59,114	3,84,31,584	1,97,83,729
(h) Others										
- Electric Installations	97,58,82,936	18,64,32,013	21,76,017	116,01,38,932	22,75,77,452	13,15,90,497	16,95,860	35,74,72,089	80,26,66,843	74,83,05,484
- Air Conditioners	3,97,00,097	2,50,98,024	2,40,398	6,45,57,723	2,27,97,146	1,04,52,297	2,40,389	3,30,09,054	3,15,48,669	1,69,02,951
- Computer	10,12,04,034	1,03,44,900	34,67,932	10,80,81,002	6,99,34,025	1,42,00,975	34,67,869	8,06,67,131	2,74,13,871	3,12,70,009
TOTAL TANGIBLE (CURRENT YEAR)	**3316,97,19,209**	**723,21,93,238**	**9,46,06,548**	**4030,73,05,900**	**902,86,15,035**	**282,88,29,449**	**5,17,39,230**	**1180,57,05,254**	**2850,16,00,646**	**-**
TOTAL TANGIBLE (PREVIOUS YEAR)	3077,52,84,227	383,43,31,922	143,98,96,941	3316,97,19,208	689,72,26,525	257,70,98,464	44,57,09,954	902,86,15,035	-	2414,11,04,174

NOTE NO.13

Intangible assets										
Computer software	5,27,50,914	3,48,40,447	4,50,193	8,71,41,168	3,99,12,408	61,26,234	4,50,183	4,55,88,459	4,15,52,709	1,28,38,506
TOTAL INTANGIBLE (CURRENT YEAR)	**5,27,50,914**	**3,48,40,447**	**4,50,193**	**8,71,41,168**	**3,99,12,408**	**61,26,234**	**4,50,183**	**4,55,88,459**	**4,15,52,709**	**-**
TOTAL INTANGIBLE (PREVIOUS YEAR)	4,86,64,138	87,76,213	46,89,437	5,27,50,914	3,73,39,939	83,29,543	57,57,054	3,99,12,408	-	1,28,38,506
Capital Work in Progress									**231,07,23,240**	634,03,79,554

* Including Depreciation capitalised **Rs.2,21,47,735** (Previous Year Rs. 2,13,01,125)

NOTE NO.14	Units	Current Year Rupees		Previous Year Rupees
Non-current Investments (At Cost):				
Trade Investments :				
Unquoted (Others)				
(a) Investments in Equity Instruments				
(Shares of Rs.10 each, fully paid up)				
12,56,037 shares of V S Lignite Power Private Ltd. (Class 'A' Equity Shares)			**1,25,60,370**	1,25,60,370
(b) Investment in Preference Shares				
(Shares of Rs.10 each, fully paid up)				
11,14,223 Class 'A' 0.01% Cumulative Redeemable Preference Shares of V S Lignite Power Private Ltd. of Rs.10 each at cost			**1,11,42,230**	1,11,42,230
Other than Trade Investments :				
Unquoted (Others)				
(a) Investments in Government Securities				
In 6 Year National Saving Certificates (Rs. 10,000 Purchased during the year and Rs.13,000 Reedemed during the year)			**20,000**	23,000
Quoted				
(b) Investment in Bonds				
7.35 % NABARD Tax Free Bonds SR-IIA	**50,099**		**5,00,99,000**	NIL
7.35 % IRFC Tax Free Bonds SR-108	**58,783**		**5,87,83,000**	NIL
(c) Investment in Mutual fund				
HDFC Debt Fund for Cancer Cure - 100% Direct Option -2014 Dividend Option	**50,00,000**	**5,00,00,000**		5,00,00,000
HDFC Fixed Maturity Plan Series 31 Direct Growth	**1,50,00,000**	**15,00,00,000**		15,00,00,000
HDFC Fixed Maturity Plan Series 35/36 Direct Growth	**34,30,00,000**	**343,00,00,000**		NIL
LIC Nomura MF Fixed Maturity Plan Series 85 Direct Growth	**2,00,00,000**	**20,00,00,000**		20,00,00,000
HDFC Gilt Fund - Long Term Plan	**5,16,24,449**	**150,00,00,000**		NIL
SBI Debt Fund Series -A26 Direct Growth	**1,50,00,000**	**15,00,00,000**		15,00,00,000
			548,00,00,000	55,00,00,000
(d) Investments in Equity Instruments				
(Shares of Rs.10 each, fully paid up)				
4,98,759 Equity Shares of Govind Rubber Ltd.		**NIL**		1,87,50,059
Less : Provision for diminution in the value of Investments (Investment in Equity Shares) (Sold during the Year)		**NIL**		1,68,34,824
			NIL	19,15,235
			561,26,04,600	57,56,40,835
Aggregate amount of quoted investments net of provision - Market value of **Rs.576,59,59,319**, (Previous Year Rs. 59,95,30,304)			**558,88,82,000**	55,19,15,235
Aggregate amount of unquoted investments.			**2,37,22,600**	2,37,25,600

NOTE NO.15	Current Year Rupees	Previous Year Rupees
LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
(a) Capital Advances	**72,61,81,821**	77,44,33,744
(b) Security Deposits	**7,63,77,823**	8,86,06,078
(c) Others loans and advances		
- Advance Payment to Suppliers	**NIL**	33,27,648
- Excise/Sales Tax/Service Tax/Custom Duty etc. Receivables	**5,00,000**	5,00,000
- Advance Payments of Taxes and Tax deducted at source(Net of Provisions)	**55,54,78,502**	53,28,73,430
	135,85,38,146	139,97,40,900

NOTE NO.16	Units	Current Year Rupees	Previous Year Rupees
CURRENT INVESTMENTS :			
In Mutual funds (Quoated)			
Investment in Mutual Fund			
Axis Fixed Term Plan - Series 49 Growth	2,50,00,000	**NIL**	25,00,00,000
ICICI Prudential Fixed Maturity Plan Series 72/Interval Fund II Growth	4,02,10,504	**NIL**	40,99,99,996
IDFC Fixed Term Plan Series 70 Growth	2,50,00,000	**NIL**	25,00,00,000
UTI Fixed Term Income Fund Series XVII - VII Growth	2,50,00,000	**NIL**	25,00,00,000
SBI Debt Fund Series - A1/2/3/14 Growth	11,00,00,000	**NIL**	110,00,00,000
HDFC Fixed Maturity Plan Series 29/33 Growth	12,55,00,000	**NIL**	125,50,00,000
SBI Megnum Gilt Fund - Long Term Plan	**6,42,38,971**	**200,00,00,000**	NIL
SBI Debt Fund Series - B-32(60 days)	**1,50,00,000**	**15,00,00,000**	NIL
ICICI Prudential FMP Series 75-95 days plan K	**2,60,00,000**	**26,00,00,000**	NIL
LIC Nomura MF fixed maturity plan series 76 Growth	3,50,00,000	**NIL**	35,00,00,000
Aggregate amount of quoted investments - Market value of **Rs.250,25,72,394** (Previous Year Rs.425,07,03,585)		**241,00,00,000**	386,49,99,996

NOTE NO.17	Current Year Rupees	Previous Year Rupees
INVENTORIES :		
(At lower of Cost and Net Realisable Value)		
(a) Raw materials	**146,25,10,109**	227,36,95,474
(b) Work-in-Progress	**39,77,27,596**	55,81,80,288
(c) Finished Goods	**70,27,41,272**	80,04,22,687
(d) Stock-in-Trade	**84,60,215**	1,77,42,478
(e) Stores and Spares	**36,75,61,594**	43,14,47,623
(f) Others -Packing Materials and Fuel	**3,03,83,973**	3,25,98,724
	296,93,84,759	411,40,87,274

NOTE NO.18	Current Year Rupees		Previous Year Rupees
TRADE RECEIVABLES			
Trade Receivables outstanding for a period less than Six Months			
(a) Secured Considered good	**176,91,65,238**		153,78,95,532
(b) Unsecured Considered good	**374,41,62,399**		409,15,57,344
		551,33,27,637	562,94,52,876
Trade Receivables outstanding for a period exceeding Six Months			
(a) Secured Considered good	**NIL**		53,10,748
(b) Unsecured Considered good	**6,60,77,891**		17,67,52,792
		6,60,77,891	18,20,63,540
		557,94,05,528	581,15,16,416

NOTE NO.19	Current Year Rupees	Previous Year Rupees
CASH AND BANK BALANCES:		
Cash and Cash Equivalents:		
- Balances with banks	**66,45,48,035**	11,58,68,043
- Cash on hand	**35,88,614**	85,35,393
- In Fixed Deposit #	**261,37,82,924**	421,00,77,625
	328,19,19,573	433,44,81,061
Other Bank balances:		
- Unpaid Dividend	**1,23,03,383**	67,99,207
- Margin Money (Including Fixed Deposit)	**42,81,228**	8,00,528
	1,65,84,611	75,99,735
# Including lodged with Government Authorities and maturing after twelve months **Rs.42,81,228** (Previous Year Rs.77,625)	**329,85,04,184**	434,20,80,796

NOTE NO.20	Current Year Rupees	Previous Year Rupees
SHORT TERM LOANS AND ADVANCES:		
Unsecured, considered good		
Loans and Advances to other than Related Parties:	**23,50,00,000**	75,00,000
Others		
- Advance payment to suppliers	**40,33,43,217**	76,72,03,545
- Excise/Sales Tax/Service Tax/Custom Duty etc. Receivables	**112,89,17,749**	175,72,29,860
- Loans and advances to employees	**3,01,78,156**	3,66,88,119
	179,74,39,122	256,86,21,524

NOTE NO.21	Current Year Rupees	Previous Year Rupees
OTHER CURRENT ASSETS		
Interest Accrued on Investment	**73,45,171**	7,800
Export Incentive Receivables	**854**	46,364
Interest Accrued on others	**1,75,10,817**	1,24,36,391
	2,48,56,842	1,24,90,555

NOTE NO.22	Current Year Rupees		Previous Year Rupees
REVENUE FROM OPERATIONS			
Sale of Products		**3279,38,70,081**	3781,65,20,739
Sales of Services		**2,51,770**	1,64,104
Job Charges Received		**NIL**	50,94,01,618
Other Operating Revenue:			
- Export Incentives	**21,97,92,351**		25,06,06,504
- Scrap Sales	**6,71,42,622**		11,95,68,455
- Others	**63,41,181**		1,10,04,029
		29,32,76,154	38,11,78,988
Total Revenue from Operations (Gross)		**3308,73,98,005**	3870,72,65,449
Less: Excise Duty		**50,00,54,197**	53,92,91,854
Total Revenue from Operations (Net)		**3258,73,43,808**	3816,79,73,595

NOTE NO.23	Current Year Rupees		Previous Year Rupees
OTHER INCOME			
Interest Income on:			
- Long Term Investments (Other than trade)	**966**		9,83,195
- Interest received on Short term Investment	**81,53,671**		NIL
- Interest received on Deposits/Loans and Advances	**4,72,97,099**		2,57,35,049
		5,54,51,736	2,67,18,244
Net gain on foreign currency transaction and translation		**211,71,82,313**	266,07,57,941
Dividend Income on:			
- Long Term Investment in Subsidiaries (Trade)	**NIL**		1,95,000
- Current Investments	**31,94,43,184**		7,56,98,655
		31,94,43,184	7,58,93,655
Profit on sale of Fixed Assets		**NIL**	5,16,261
Diminution of Long Term Investment Written back		**1,68,34,824**	NIL
Net gain on sale of Current Investments		**42,39,57,517**	36,44,007
Other non-operating income		**1,60,34,106**	68,83,972
		294,89,03,680	277,44,14,080

NOTE NO.24	Current Year Rupees	Previous Year Rupees
COST OF MATERIAL CONSUMED		
Raw Material Consumed	**13,893,520,542**	19,534,195,287

NOTE NO.25	Current Year Rupees	Previous Year Rupees
PURCHASE OF STOCK IN TRADE		
Purchase of Traded Goods	**6,67,16,781**	9,45,30,049

NOTE NO.26	Current Year Rupees	Previous Year Rupees
CHANGES IN INVENTORIES OF FINISHED GOODS,WORK IN PROGRESS AND STOCK IN TRADE		
Opening Stock :		
Work-in-Progress	**56,71,51,335**	77,15,57,334
Stock in Trade	**20,68,25,857**	19,77,20,804
Finished Goods	**60,64,78,518**	59,47,05,429
	138,04,55,710	156,39,83,568
Less: On account of Scheme of Demerger of previous Year	**89,71,047**	2,85,34,364
	137,14,84,663	153,54,49,204
Less :		
Closing Stock :		
Work-in-Progress	**39,77,27,596**	56,71,51,335
Stock in Trade	**11,38,31,116**	20,68,25,857
Finished Goods	**59,73,70,371**	60,64,78,518
	110,89,29,083	138,04,55,710
Net (Increase)/Decrease in Inventories	**26,25,55,580**	15,49,93,494

NOTE NO.27	Current Year Rupees	Previous Year Rupees
EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	**216,99,91,799**	207,42,82,649
Contribution to provident and other funds	**16,70,93,560**	15,47,29,259
Staff welfare expenses	**4,60,67,682**	4,43,41,752
	238,31,53,041	227,33,53,660

NOTE NO.28	Current Year Rupees	Previous Year Rupees
FINANCE COST		
Interest expenses	**31,74,89,219**	41,28,08,505
Other borrowing cost	**2,37,33,390**	3,62,33,146
Applicable net Loss/(Gain) on foreign currency transactions and translation	**17,76,812**	2,68,00,418
	34,29,99,421	47,58,42,069

NOTE NO.29	Current Year Rupees	Previous Year Rupees
DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and amortisation	**281,28,07,948**	243,69,91,808

NOTE NO.30	Current Year Rupees	Previous Year Rupees
OTHER EXPENSES:		
Consumption of stores and spare parts	**141,16,86,624**	158,03,90,129
Packing material consumed	**89,55,437**	3,91,78,820
Power and fuel(Net)	**116,82,97,338**	172,28,75,770
Freight and forwarding	**129,10,86,148**	187,87,03,313
Excise duty on variation of Finished Goods	**11,65,064**	60,06,524
Labour/Job Charges	**71,84,98,637**	77,29,21,460
Water charges	**1,59,81,920**	3,25,35,838
Repairs and Maintenance to buildings	**18,08,78,639**	18,90,24,562
Repairs and Maintenance to Machinery	**12,31,34,271**	28,28,03,200
Repairs and Maintenance to Others	**7,70,70,316**	5,31,22,708
Insurance Charges	**13,68,48,135**	14,70,87,352
Rates and Taxes excluding taxes on income	**6,19,47,642**	6,89,51,153
Rent	**4,47,16,732**	5,28,55,747
Legal and Professional charges	**24,84,28,000**	44,56,91,649
Advertisement, Publicity and Sales Promotion	**102,34,03,754**	88,36,54,095
Commission	**2,61,79,382**	2,83,15,660
Discount	**2,87,34,714**	3,72,25,723
Travelling Expenses	**18,39,43,124**	20,76,13,992
Directors Meeting Fees	**11,20,000**	5,96,152
Loss on sale of Fixed Assets	**56,91,436**	NIL
Fixed Assets Discarded	**6,11,693**	1,40,09,798
Loss on sale of Long Term Investment	**94,57,263**	NIL
Interest to Others	**36,25,609**	18,32,687
Marketing service expenses	**87,79,289**	1,56,78,876
Contribution towards CSR expenses	**13,20,42,522**	11,01,16,830
Miscellaneous expenses	**28,82,72,456**	26,79,14,201
	720,05,56,146	883,91,06,239

NOTE NO.31	Current Year Rupees	Previous Year Rupees
Contingent Liabilities and commitments :		
(i) **Contingent Liabilities**		
(a) Claims against the Company not acknowledge as debts		
- Disputed claims for excise,cess, sales tax, customs and service tax	**120,48,01,419**	103,77,77,048
- Disputed income tax demands	**6,79,98,121**	4,73,05,121
(b) Guarantees given by the Company's bankers on behalf of the Company against the Company's Indemnity	**15,16,89,865**	15,05,90,479
(c) Corporate Guarantee given by the Company:		
- To the President of India through commissioner of Custom	**600,00,00,000**	334,56,88,269
(d) Standby Letter of Credit issued by Company's banker for loan taken by stepdown subsidiary	**22,52,86,500**	NIL
(ii) **Commitments**		
Estimated amount of contracts remaining to be executed on capital account and not provided for	**137,27,53,909**	204,71,90,222

NOTE NO.32

Details of Current Investment in units of Mutual funds purchased and sold during the year :

Name of Mutual Fund	Purchased During the Year		Sold / Redeemed During the Year	
	No. of Units	Cost Rs.	No. of Units	Cost Rs.
AXIS LIQUID FUND - DAILY DIVIDEND - DIRECT PLAN - REINVESTMENT (CF-DR)	1,90,180	19,02,41,729	1,90,180	19,02,41,729
AXIS ENHANCED ARBITRAGE FUND - DIRECT PLAN - DIVIDEND REINVESTMENT	37,84,152	4,03,75,761	37,84,152	4,03,75,761
BIRLA SUN LIFE FLOATING RATE FUND LONG TERM PLAN - DAILY DIVIDEND - DIRECT PLAN	19,92,774	20,00,58,154	19,92,774	20,00,58,154
BIRLA SUN LIFE ENHANCED ARBITRAGE FUND - DIVIDEND - DIRECT PLAN	1,87,34,344	20,69,95,524	1,87,34,344	20,69,95,524
BIRLA SUN LIFE CASH MANAGER FUND - DAILY DIVIDEND - REGULAR PLAN	20,19,508	20,27,48,526	20,19,508	20,27,48,526
BIRLA SUN LIFE CASH MANAGER FUND - DAILY DIVIDEND - DIRECT PLAN	1,59,08,841	159,66,57,389	1,59,08,841	159,66,57,389
BIRLA SUN LIFE CASH PLUS - DAILY DIVIDEND - DIRECT PLAN	14,98,035	15,00,95,581	14,98,035	15,00,95,581
FRANKLIN INDIA ULTRA SHORT BOND FUND SUPER I/P - DIRECT - DIVIDEND PLAN	22,89,11,475	230,34,90,388	22,89,11,475	230,34,90,388
HDFC ARBITRAGE FUND - WHOLESALE PLAN- DIVIDEND - DIRECT PLAN	38,92,94,297	412,33,39,663	38,92,94,297	412,33,39,663
HDFC FLOATING RATE INCOME FUND - SHORT TERM PLAN - WHOLESALE OPTION - DIRECT PLAN - DAILY DIVIDND	25,96,43,965	261,74,43,258	25,96,43,965	261,74,43,258
HDFC LIQUID FUND - DIRECT PLAN - DAILY DIVIDEND	7,03,29,027	396,71,96,914	7,03,29,027	396,71,96,914
ICICI PRUDENTIAL ULTRA SHORT TERM - DIRECT PLAN - DAILY DIVIDEND	18,73,22,242	189,31,17,629	18,73,22,242	189,31,17,629
ICICI PRUDENTIAL FLEXIBIBLE INCOME - DIRECT PLAN - DAILY DIVIDEND	9,46,013	10,00,27,394	9,46,013	10,00,27,394
ICICI PRUDENTIAL LIQUID - DIRECT PLAN - DIVIDEND - DAILY REINVEST	1,08,05,345	108,11,45,013	1,08,05,345	108,11,45,013
ICICI PRUDENTIAL EQUITY ARBITRAGE FUND - DIRECT PLAN - DIVIDEND	4,88,26,509	69,32,57,068	4,88,26,509	69,32,57,068
IDFC CASH PLUS FUND - REGULAR PLAN - DAILY DIVIDEND	5,15,157	51,55,10,744	5,15,157	51,55,10,744
IDFC ULTRA SHORT TERM FUND - REGULAR PLAN - DAILY DIVIDEND	1,20,09,873	12,03,30,216	1,20,09,873	12,03,30,216
IDFC ARBITRAGE FUND - DIVIDEND - DIRECT PLAN	7,96,84,669	102,12,74,982	7,96,84,669	102,12,74,982
IDFC ULTRA SHORT TERM FUND - DIRECT PLAN - DAILY DIVIDEND	9,04,24,743	90,92,29,833	9,04,24,743	90,92,29,833
KOTAK EQUITY ARBITRAGE FUND - DIVIDEND - DIRECT PLAN	2,54,42,686	51,51,34,939	2,54,42,686	51,51,34,939
L & T ARBITRAGE OPPORTUNITIES FUND - DIVIDEND - DIRECT PLAN	1,01,33,261	10,45,10,516	1,01,33,261	10,45,10,516
MIRAE ASSET CSH MANAGEMENT FUND - DIRECT PLAN - DAILY DIVIDEND	1,19,410	12,73,68,258	1,19,410	12,73,68,258
SBI ULTRA SHORT TERM DEBT FUND - DIRECT PLAN - DAILY DIVIDEND	16,37,971	164,61,57,968	16,37,971	164,61,57,968
SBI ARBITRAGE OPPORTUNITIES FUND - DIVIDEND - DIRECT PLAN	13,86,29,065	191,69,49,719	13,86,29,065	191,69,49,719
TATA FLOATER FUND - DIRECT PLAN - DAILY DIVIDEND	8,10,537	81,33,99,100	8,10,537	81,33,99,100
UTI-FLOATING RATE-STP-DIRECT PLAN - DAILY DIVIDEND	12,56,472	135,30,55,659	12,56,472	135,30,55,659
UTI-FLOATING RATE-STP-REGULAR PLAN - DAILY DIVIDEND	2,84,691	30,65,76,885	2,84,691	30,65,76,885
UTI LIQUID CASH PLAN INSTITUTIONAL - DIRECT PLAN - DAILY DIVIDEND REINVESTMENT	39,285	4,00,48,678	39,285	4,00,48,678
DHFL PRAMERICA DYNAMIC BOND FUND - DIRECT PLAN - GROWTH OPTION	7,230	1,00,00,000	7,230	1,00,00,000
GRAND TOTAL	**160,12,01,757**	**2876,57,37,485**	**160,12,01,757**	**2876,57,37,485**

NOTE NO.33

SEGMENT INFORMATION :

(a) Primary Business Segments:-

The Group has Mainly one reportable business segment, namely Tyres(including Tubes and Flaps) therefore primary business segment reporting as required by AS-17 is not applicable.

(b) Secondary Segment - Geographical by location of customers

	Rupees	Rupees
Segment Revenue		
Revenue from Operations:		
In India		**457,13,01,470**
		(601,84,55,686)
Outside India		
Europe	**1698,93,55,958**	
	(1876,68,25,432)	
North America	**464,44,49,211**	
	(591,78,00,223)	
Others	**638,22,37,169**	
	(746,48,92,254)	
		2801,60,42,338
		(3214,95,17,909)
		3258,73,43,808
Total		(3816,79,73,595)
Segment Assets		
In India		**4054,37,29,843**
		(4218,67,20,938)
Outside India		
Europe		**370,77,91,002**
		(396,01,95,036)
Others		**163,04,84,331**
		(259,59,43,727)
Total		**4588,20,05,176**
		(4874,28,59,701)
Total Cost incurred during the year to acquire Segment Fixed Assets		
In India		**323,66,95,764**
		(496,37,86,921)
Outside India		**6,81,607**
		(54,97,011)
Total		**323,73,77,371**
		(496,92,83,932)
Segment Assets excludes -Investments		**802,26,04,600**
		(444,06,40,831)

NOTE NO.34	Current Year Rupees	Previous Year Rupees
Earning Per Share (EPS)		
(In accordance with Accounting Standard - 20)		
Profit After Tax	**575,94,50,533**	472,56,83,805
Add: Income tax of earlier year	**92**	9,47,24,126
Profit for the year available to Equity Shareholders	**575,94,50,625**	482,04,07,931
Number of Equity Shares outstanding for Basic/Diluted Earning Per Share	**966,58,595**	966,58,595
Nominal Value of Equity Shares (in Rupees)	**2**	2
Earning Per Share Basic/Diluted	**59.59**	49.87

NOTE NO.35

I) Related Party Disclosures *

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

(Where transactions have taken place)

a) Key Management Personnel (KMP)

Mr. Arvind Poddar - Chairman & Managing Director, Mrs. Vijayalaxmi Poddar - Executive Director (up to 08.08.2015), Mr. Rajiv Poddar - Joint Managing Director, Mr.Vipul Shah - Director & Company Secretary, Mr. Basant Bansal - Director Finance., Mr. Rajendra Jhanwar - Director(Works) (up to 09.02.2015).

b) Relatives of Key Management Personnel :

Mrs. Vijayalaxmi Poddar-(w.e.f. 09.08.2015) Mrs. Khushboo Poddar, Mrs. Shyamlata Poddar, Mrs. Pooja Dhoot, Mr. Abhishek Bansal

c) Other Related Parties -(Enterprises-KMP having significant influence/owned by major shareholders) Siyaram Silk Mills Ltd., Clothing Culture Ltd., S P Finance and Trading Ltd., Nirvikara Paper Mills Ltd.

Related Party Transactions **(In Rupees)**

Transactions	KMP	Relatives of (KMP)	Other Related Parties	Total
Purchase of Goods/Materials/Services	**NIL**	**NIL**	**2,15,59,176**	**2,15,59,176**
	(NIL)	(NIL)	(96,04,387)	(96,04,387)
Sales of Goods/Materials/Services	**NIL**	**NIL**	**2,100**	**2,100**
	(NIL)	(NIL)	(50,94,01,618)	(50,94,01,618)
Expenses reimbursed	**NIL**	**NIL**	**NIL**	**NIL**
	(NIL)	(NIL)	(4,32,160)	(4,32,160)
Rent received	**NIL**	**NIL**	**32,63,531**	**32,63,531**
	(NIL)	(NIL)	(5,81,248)	(5,81,248)
Recovery of expenses	**NIL**	**NIL**	**32,32,011**	**32,32,011**
	(NIL)	(NIL)	(40,13,274)	(40,13,274)
Rent/Lease Rent Paid	**NIL**	**1,06,10,044**	**NIL**	**1,06,10,044**
	(NIL)	(1,04,71,428)	(40,60,511)	(1,45,31,939)
Interest Paid	**NIL**	**NIL**	**NIL**	**NIL**
	(NIL)	(NIL)	(52,65,410)	(52,65,410)
Vehicle Hiring Charges	**NIL**	**4,80,000**	**NIL**	**4,80,000**
	(NIL)	(4,80,000)	(NIL)	(4,80,000)
Loan Received (ICD)	**NIL**	**NIL**	**NIL**	**NIL**
	(NIL)	(NIL)	(1,00,00,000)	(1,00,00,000)
Loan Repayment (ICD)	**NIL**	**NIL**	**NIL**	**NIL**
	(NIL)	(NIL)	(NIL)	(NIL)
Remuneration / Meeting Fees	**63,28,28,613**	**44,80,907**	**NIL**	**63,73,09,520**
	(61,86,54,473)	(60,00,072)	(NIL)	(62,46,54,545)
Payables	**49,43,24,731**	**16,800**	**NIL**	**49,43,41,531**
	(44,41,53,814)	(16,800)	(NIL)	(44,41,70,614)

Disclosure in Respect of Material Related Party Transaction during the year :

1 Purchase of Goods/Materials/Services includes : Clothing Culture Ltd.. **Rs.2,15,59,176** (Previous Year Rs.88,92,844), Siyaram Silk Mills Ltd. **Rs.NIL** (Previous Year Rs.7,11,543).

2 Sale of Goods/Materials/Services includes : Clothing Culture Ltd.,**Rs. 2,100** (Previous Year Rs. NIL), Siyaram Silk Mills Ltd. **Rs. NIL** (Previous Year Rs. 50,94,01,618).

3 Expenses reimbursed includes : Clothing Culture Ltd. **Rs.NIL** (Previous Year Rs.4,32,160).

4 Rent Received includes : Clothing Culture Ltd. **Rs.31,82,066** (Previous Year Rs.5,69,666), Nirvikara Paper Mills Ltd. **Rs.81,465** (Previous Year Rs.11,582).

5 Recovery of Expenses includes : Clothing Culture Ltd. **Rs. 30,16,011** (Previous Year Rs.39,22,631), Nirvikara Paper Mills Ltd. **Rs.2,16,000** (Previous Year Rs.90,643).

6 Rent/Lease Rent Paid includes : Mrs. Pooja Dhoot **Rs.1,06,10,044** (Previous Year Rs. 1,04,71,428), Siyaram Silk Mills Ltd. **Rs. NIL** (Previous Year Rs 40,60,511).

7 Vehicle Hiring Charges includes : Mr. Abhishek Bansal **Rs. 4,80,000** (Previous Year Rs.4,80,000).

8 Interest paid on Loan (ICD) includes Siyaram Silk Mills Ltd. **Rs. NIL** (Previous Year Rs,.46,75,273), S.P. Finance and Trading Ltd. **Rs. NIL** (Previous Year Rs.5,90,137)

9 Loan Received (ICD) includes : S. P. Finance & Trading Ltd. **Rs. NIL** (Previous Year Rs. 1,00,00,000).

11 Payment to Key Management Personnel includes : Mr. Arvind Poddar **Rs. 32,99,66,107** (Previous Year Rs. 27,83,77,817), Mr. Rajiv Poddar **Rs.24,09,75,077** (Previous Year Rs. 19,70,22,787), Mrs. Vijaylaxmi Poddar **Rs.4,65,66,503** (Previous Year Rs.12,66,75,421), Mr. Basant Bansal **Rs. 1,14,72,632** (Previous Year Rs.1,04,71,759), Mr. Vipul Shah **Rs.38,48,294** (Previous Year Rs.34,06,460), Mr. Rajendra Jhanwar **Rs.NIL** (Previous Year Rs. 27,00,229) and payment to Relatives of Key Management Personnel includes : Mrs. Vijaylaxmi Poddar **Rs.1,20,000** (Previous Year Rs. NIL), Mrs. Khushboo Poddar **Rs.33,79,329** (Previous Year Rs.30,00,036), Mrs. Shyamlata Poddar **Rs.9,81,578** (Previous Year Rs.30,00,036).

12 Payables to Key Management Personnel includes : Mr. Arvind Poddar **Rs.27,00,00,000** (Previous Year Rs.21,00,00,000), Mr. Rajiv Poddar **Rs.19,20,00,000** (Previous Year Rs.14,40,00,000), Mrs. Vijaylaxmi Poddar **Rs. 3,19,35,483** (Previous Year Rs.9,00,00,000), Mr. Basant Bansal **Rs.1,21,443** (Previous Year Rs. NIL), Mr. Vipul Shah **Rs.2,67,804** (Previous Year Rs.1,53,814), Payables to Relatives of Key Management Personnel includes : Mrs. Khushboo Poddar **Rs.16,800** (Previous Year Rs.8,400), Mrs. Shyamlata Poddar **Rs.NIL** (Previous Year Rs.8,400).

* Parties identified by the Management and relied upon by the auditors.

No amount in respect of related parties have been written off/back or are provided for.

NOTE NO.36	Current Year Rupees	Previous Year Rupees
Leases - Operating leases :		
(i) The company has taken commercial premises under cancellable and non-cancellable operating leases.		
(ii) Future minimum Lease Payments under non - cancellable operating leases :		
not later than one year	**65,17,207**	29,73,063
later than one year and not later than five years	**1,03,27,767**	25,39,184
later than five years	**NIL**	NIL
(iii) The rental expenses recognised in Profit and Loss account for operating leases :		
(a) Minimum Rent	**3,49,41,875**	4,37,50,273
(b) Contingent Rent	**NIL**	NIL
(iv) The Company has given certain portion of its office premises on lease.The said agreement can be terminated by giving one month prior written notice by the lessee or the Company.		
Gross carrying amount of the furnished office premises leased, included in Note No. 12 Fixed Assets	**17,13,76,245**	7,89,33,916
Accumulated Depreciation	**4,94,96,831**	2,83,96,126
Depreciation recognised in the Profit and Loss Account	**95,17,331**	1,25,62,713

NOTE NO.37

(a) As at 31st March,2016, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

(b) The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

NOTE NO.38	Current Year	Previous Year
Derivative Instruments		
(a) Hedging Contracts :		
(i) The Company uses forward exchange contracts to hedge its exposure to foreign exchanges and the Company does not use such contracts for trading or speculation purpose.		
(ii) Derivative Instruments outstanding		
Forward Exchange Contracts :		
Total No. of contracts outstanding for Amount		
Receivable on account of Export of Goods.	**362**	268
Foreign Currency Value covered :		
US Dollars	**42,78,00,000**	18,96,83,900
Euro	**1,10,00,000**	11,60,00,000

NOTE NO.38		Current Year	Previous Year
(b)	Hedged foreign currency exposure is as follows:		
	Amounts Payable :		
	Loans:		
	US Dollars	**2,97,09,126**	5,87,00,063
	Euro	**1,69,55,214**	2,44,22,391
(c)	Unhedged foreign currency exposure is as follows:		
	Amounts Payable :		
	Loans :		
	US Dollars	**21,66,66,667**	27,65,45,922
	Interest US Dollars	**1,28,421**	1,87,801
	Payables for goods and services:		
	US Dollars	**60,78,998**	83,08,919
	Euro	**19,22,946**	23,82,235
	CAD	**83,616**	59,419
	AED	**1,753**	NIL
	SGD	**NIL**	24,680
	Amounts Receivable:		
	Advances :		
	US Dollar	**26,30,347**	76,59,037
	Euro	**9,227**	37,115
	GBP	**NIL**	2,700
	Balance with Scheduled Banks		
	On Current Accounts:		
	US Dollar	**5,92,574**	44,682
	Euro	**5,98,389**	5,33,355

NOTE NO.39

Disclosures in accordance with accounting standard AS-15 on "Employee Benefits".

Defined benefit plans - As per actuarial valuation in respect of gratuity

Sr. no.	Descriptions	Current Year Rupees	Previous Year Rupees
i	**Components of employer expenses**		
	Current Service Cost	**1,64,78,023**	1,59,54,023
	Interest Cost	**1,14,02,752**	1,14,67,127
	Expected Return on Plan Assets	**(1,03,12,995)**	(1,18,23,750)
	Actuarial-(Gain)/Loss (Net)	**3,39,68,371**	2,72,54,300
	Total Expenses recognised in the statement of Profit & Loss Account in Note No. 27	**5,15,36,151**	4,28,51,700
ii	**Actual Contribution and Benefit Payments for the year end**		
	Actual Benefit Payments	**46,66,488**	40,91,928
	Actual Contributions	**2,88,62,727**	1,83,64,942
iii	**Net Liability recognised in balance sheet at the year end**		
	Present Value of Defined Benefit Obligation	**20,14,13,807**	15,99,72,522
	Fair value of plan assets	**16,50,15,491**	11,97,52,912
	Net Liability/(Asset) recognised in balance sheet	**3,63,98,316**	1,99,52,254

Sr. no.	Descriptions	Current Year Rupees	Previous Year Rupees
iv	**Reconciliation of Opening and Closing Balances of Defined Benefit Obligations (DBO)**		
	Present Value of DBO at the beginning of the year	**14,36,11,482**	12,75,39,862
	Current Service cost	**1,64,78,023**	1,59,54,023
	Interest cost	**1,14,02,752**	1,14,67,127
	Past Service Cost (Vested Benefit)		
	Actuarial (Gain)/Loss on DBO	**3,45,88,038**	2,70,61,689
	Benefits paid	**(46,66,488)**	(40,91,928)
	Liability transfer out	**NIL**	(3,43,19,291)
	Present Value of DBO at the end of the year	**20,14,13,807**	14,36,11,482
v	**Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets**		
	Plan assets at the beginning of the year	**12,98,86,590**	13,07,31,433
	Expected return on plan assets	**1,03,12,995**	1,18,23,750
	Actual Company contributions	**2,88,62,727**	1,83,64,942
	Actuarial Gain on Plan Assets	**6,19,667**	(1,92,611)
	Benefits paid	**(46,66,488)**	(40,91,928)
	Assets transfer out	**NIL**	(2,67,48,996)
	Plan assets at the end of the year	**16,50,15,491**	12,98,86,590
vi	**Actuarial Assumptions**		
	Discount Rate	**8.04%**	7.94%
	Expected Return on plan Assets	**8.04%**	7.94%
	Salary escalation	**6.00%**	4.50%

a) Defined Contribution Plans-

The Company's contribution to defined contribution plans aggregating to **Rs.9,49,10,169** (Previous Year Rs.9,55,58,402) has been recognised in the statement of profit and loss account under the heading 'Contribution to Provident and Other Funds' (Note No. 27).

b) The assumption of future salary increase, considered in actuarial valuation, takes into account of inflation and other relevant factors.

NOTE NO.40	Current Year Rupees	Previous Year Rupees
Payment to Auditors :		
(a) Statutory Auditors		
- Audit Fees	**32,77,457**	37,26,567
- For Tax Audit	**11,26,675**	8,57,797
- For taxation matters	**6,20,000**	6,10,000
- For Company Law matters	**3,00,000**	3,35,000
- For other services - Certification etc.,	**14,56,245**	17,09,336
- For reimbursement of expenses		
- Service Tax	**8,38,923**	7,64,275
- Expenses	**1,07,000**	2,90,000
(b) Cost Auditors		
- Audit Fees	**NIL**	64,726
- For reimbursement of expenses		
- Service Tax	**NIL**	8,000

NOTE NO.41	Current Year Rupees	Previous Year Rupees
(a) Amount of Borrowing Cost capitalised	**17,36,44,311**	42,12,45,421
(b) Total of Research and Development Cost/Expenditure		
- Revenue	**12,68,88,014**	11,73,03,058
- Capital	**3,93,23,880**	7,57,55,709

NOTE NO.42

Nature of Security in respect of secured Loan (Long Term/Short Term):	Rupees
Working Capital Loans from Banks Repayable on Demand:	
Secured by first charge by way of hypothecation of Inventories, Receivables and other movables on pari-passu basis and further secured by second charge by way of hypothecation on all the present and future movable fixed assets of the Company on pari - passu basis and immovable fixed assets of the Company situated at Bhiwadi, Chopanki, Jaisalmer & major assets at Bhuj Units and office premises at Creative Industrial Estate - Mumbai on pari-passu basis.	**284,89,75,040**
Term Loan from Banks:	
(a) Secured by first charge by way of hypothecation on the all present and future movable fixed assets of the Company on pari - passu basis and immovable fixed assets of the Company situated at Bhiwadi, Chopanki, Jaisalmer & major assets at Bhuj Units and office premises at Creative Industrial Estate - Mumbai on pari - passu basis and further secured by second charge by way of hypothecation of Inventories, Receivables and other movables on pari-passu basis.	
(Repayment in 3 Annual Equal Installments beginning from financial Year 2016-17, Rate of Interest LIBOR + 100 bppa)	**663,32,90,000**
(b) To be Secured by first charge by way of hypothecation on the all present and future movable fixed assets of the Company on pari - passu basis and immovable fixed assets of the Company situated at Bhiwadi, Chopanki, Jaisalmer and office premises at Creative Industrial Estate - Mumbai on pari - passu basis and further to be secured by second charge by way of hypothecation of Inventories, Receivables and other movables on pari-passu basis.	
(Repayment in 2 Annual Equal Installments beginning from financial Year 2016-2017, Rate of Interest LIBOR + 80 bppa)	**773,88,38,334**

NOTE NO.43

(a) The figures for the year ended 31st March 2016 are not comparable with the corresponding figures of the current year consequent to amalgamation of Balkrishna Paper Mills Limited into the company and its subsequent de-merger to Nirvikara Paper Mill Limited during the previous year.

(b) The board has in principle approved a proposal of amalgamation of its wholly owned subsidiary company viz. BKT Exim Limited into the company subject to necessary approvals from relevant authorities.

NOTE NO.44

(i) Figures in brackets in notes 33 and 35 pertain to previous year.

(ii) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date attached

For **JAYANTILAL THAKKAR & CO.**
Chartered Accountants

VIRAL A. MERCHANT
Partner

Mumbai,
Dated: 18th May, 2016

For and on behalf of the Board of Directors

ARVIND PODDAR
Chairman & Managing Director

RAJIV PODDAR
Joint Managing Director

BASANT BANSAL
Director (Finance)

VIPUL SHAH
Director & Company Secretary

Mumbai,
Dated: 18th May, 2016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

		Year Ended 31st March, 2016 Rupees		Year Ended 31st March, 2015 Rupees	
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	Profit before Tax		**857,39,38,029**		713,33,75,071
	Adjustment for :				
	Depreciation and Ammortisation	**281,28,07,948**		243,69,91,808	
	Diminution of Long Term Investment Written back	**(1,68,34,824)**		NIL	
	Income from Investments	**(73,39,43,438)**		(8,05,20,856)	
	Finance Cost	**34,29,99,421**		47,58,42,069	
	Interest Income	**(5,54,51,736)**		(2,57,35,049)	
	Loss/(Profit) on Sale of Fixed Assets	**56,91,436**		(5,16,261)	
	Fixed Assets Discarded/Written Off	**6,11,693**		1,40,09,798	
	Unrealised Foreign Exchange differences Loss/(Gain)	**2,31,27,629**		1,44,04,288	
	Retiring Gratuities	**5,15,36,150**		3,96,29,926	
	Leave Encashment	**2,44,23,301**		2,78,60,397	
			245,49,67,579		290,19,66,120
	Operating profit before working capital changes		**1102,89,05,608**		1003,53,41,191
	Adjustment for:				
	Trade and other receivables	**175,37,64,540**		58,72,76,171	
	Inventories	**114,47,02,515**		137,99,71,820	
	Trade payables	**(81,47,00,987)**		(78,32,311)	
			208,37,66,068		195,94,15,680
	Cash generated from operations		**1311,26,71,676**		1199,47,56,870
	Direct taxes paid		**(234,18,32,446)**		(212,52,47,434)
	Gratuity paid		**(2,88,62,726)**		(1,83,64,942)
	Leave Encashment paid		**(1,34,66,458)**		(98,61,264)
	Net cash from Operating Activities		**1072,85,10,046**		984,12,83,230
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Purchase of Fixed Assets & Capital Work in Progress	**(242,35,46,331)**		(370,82,11,972)	
	Sale of Fixed Assets	**3,65,64,198**		89,12,319	
	Purchase of Investments	**(3621,46,19,485)**		(1080,79,40,861)	
	Sale of Investments	**3306,39,90,795**		1003,72,68,867	
	Inter Corporate Loan Given	**(62,64,18,500)**		(25,00,000)	
	Inter Corporate Loan Refund Received	**27,24,71,000**		1,50,00,000	
	Interest received	**5,26,57,972**		91,31,061	
	Income Received on Investments	**31,94,43,184**		7,95,37,661	
	Net cash used in Investing Activities		**(551,94,57,166)**		(436,88,02,925)
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**				
	Received towards Share capital	**NIL**		76,58,955	
	Proceeds from Short Term Borrowings (Net)	**475,19,37,137**		(100,58,20,749)	
	Proceeds from Long Term Borrowings	**779,76,28,115**		4264,69,26,782	
	Repayment of Long Term Borrowings	**(1753,43,74,898)**		(4224,93,41,756)	
	Dividend paid (including tax thereon)	**(91,33,05,435)**		(22,49,17,104)	
	Finance cost paid	**(35,57,99,986)**		(47,66,65,665)	
	Net Cash from Financing Activities		**(625,39,15,067)**		(130,21,59,537)
	Add:On account of Scheme of Arrangement(Refer Note No.45)		**NIL**		2,87,42,126
	Net increase in cash and cash equivalent		**(104,48,62,187)**		419,90,62,894
	Exchange difference on cash and cash equivalent - Gain		**12,85,574**		(3,97,821)
	Cash and cash equivalent as at the beginning of the year		**434,20,80,796**		14,93,45,909
	Less: On Account of disposal of Subsidiary		**NIL**		21,52,662
	Less: On account of Scheme of Arrangement (Refer Note No.45)		**NIL**		37,77,524
	Adjusted Cash and cash equivalent		**434,20,80,796**		14,34,15,723
	Cash and cash equivalent as at the end of the year		**329,85,04,184**		434,20,80,796

Note :Direct Taxes paid on income are treated as arising from Operating Activities and are not bifurcated between Investing and Financing Activities.

As per our report of even date attached

For **JAYANTILAL THAKKAR & CO.**
Chartered Accountants

VIRAL A. MERCHANT
Partner

Mumbai,
Dated: 18th May, 2016

For and on behalf of the Board of Directors

ARVIND PODDAR
Chairman & Managing Director

RAJIV PODDAR
Joint Managing Director

BASANT BANSAL
Director (Finance)

VIPUL SHAH
Director & Company Secretary

Mumbai,
Dated: 18th May, 2016



OFF-HIGHWAY TIRE SOLUTIONS

BKT

GROWING TOGETHER



GROWING TOGETHER

Balkrishna Industries Limited

CIN : L99999MH1961PLC012185

Registered Office: B-66, Waluj MIDC, Waluj Industrial Area, Aurangabad-431136, Maharashtra

Corporate Office: BKT House, C/15, Trade World, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

Telephone Number : +91-22-66663800 | **Fax Number** : +91-22-66663898

Email : shares@bkt-tires.com

Website : www.bkt-tires.com

www.westernpress.in

Balkrishna Industries Limited

CIN : L99999MH1961PLC012185

Regd. Office : B-66, Waluj MIDC, Waluj Industrial Area, Aurangabad 431136, Maharashtra

Corp. Office: BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013

Tel.: + 91-22-66663800 | **Fax :** +91-22-66663898/99 | **Email:** shares@bkt-tires.com | **Website:** www.bkt-tires.com

NOTICE

NOTICE is hereby given that the 54th Annual General Meeting of the members of BALKRISHNA INDUSTRIES LIMITED will be held as scheduled below:

Day : Saturday

Date : 6th August, 2016

Time : 12:00 Noon

Place : B-66, Waluj MIDC, Waluj Industrial Area, Aurangabad 431 136, Maharashtra

The Agenda for the Meeting will be as under to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 together with the Report of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2016.
2. To confirm Interim Dividend of Rs.3.00 per equity share and a Special Dividend of Rs. 2.50 per equity share aggregating to Rs. 5.50 per equity share, already paid for the financial year ended 31st March, 2016. The Board has decided to treat said Interim Dividend as Final Dividend for the financial year ended 31st March, 2016.
3. To appoint a Director in place of Mr. Vipul Shah (DIN: 05199526), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

   "RESOLVED THAT M/s. Jayantilal Thakkar & Co., Chartered Accountants (Firm Registration No. 104133W) be and are hereby appointed as Statutory Auditors of the Company, to hold office from conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

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

   "RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Arvind Poddar (DIN: 00089984) as Chairman & Managing Director of the Company, for a period of five years with effect from 1st August, 2016 to 31st July, 2021, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with powers to the Board of Directors (hereinafter referred as "the Board") to alter and vary the terms and conditions of the said re-appointment including minimum remuneration (in case of absence or inadequacy of profits) in such manner as the Board may deem fit and is acceptable to Mr. Arvind Poddar, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or statutory modification(s) or re-enactment thereof.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary proper or expedient to give effect to this resolution."

By order of Board of Directors
For Balkrishna Industries Limited

Vipul Shah
Director & Company Secretary
DIN No: 05199526

Mumbai
Dated: 18th May, 2016

Registered Office:
B-66, Waluj MIDC,
Waluj Industrial Area
Aurangabad 431 136
Maharashtra

NOTES:

1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing proxy should, however, be deposited at the Registered Office of the Company or at the Corporate Office not less than 48 hours before commencement of the Meeting.

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2) The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to remote e-voting are given in this Notice under Note No.20. The Company will also send communication relating to e-voting which *inter alia* would contain details about User ID and password along with a copy of this Notice to the members, separately.

3) Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

4) Brief resume of Directors including those proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, name of companies in which they hold directorship and memberships/chairmanship of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Annexure to the notice convening the Annual General Meeting of the Company.

5) A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

6) Shareholders desiring any information as regards to accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.

7) Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.

8) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

9) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office or Corporate Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days up to and including the date of the Annual General Meeting of the Company.

10) The Company has notified closure of Register of Members and Share Transfer Books from Wednesday, the 3rd August, 2016 to Thursday, the 4th August, 2016 (both days inclusive) for the purpose of 54th Annual General Meeting.

11) Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.

12) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / the Registrar and Transfer Agent, M/s. Karvy Computershare Private Limited.

13) The Company has transferred the unpaid or unclaimed dividend declared up to financial years 2007-2008 from time to time on due dates to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 the company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 11th July, 2015 (date of last Annual General Meeting) on website of the Company www.bkt-tires.com, as also on website of the Ministry of Corporate Affairs.

14) Notice of Annual General Meeting along with Annual report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same.

15) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / the Registrar and Transfer Agent, M/s. Karvy Computershare Private Limited.

16) Electronic copy of the Notice of the 54th Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of the 54th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.

17) Members may note that the Notice of the 54th Annual General Meeting and the Annual Report for year 2015-2016 will also be available on the Company's website for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office or Corporate Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: shares@bkt-tires.com.

18) Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

19) A route map giving directions to reach the venue of the 54th Annual General Meeting is given at the end of the Notice

20) **Information and other instructions relating to e-voting are as under:**

I. In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company provides to its members, the facility to exercise their right to vote on resolutions proposed to be considered at the 54th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by Karvy Computershare Private Limited (Karvy).

II. The facility for voting through ballot paper shall also be made available at the Annual General Meeting and the members attending the meeting shall be able to exercise their right to vote at the meeting through ballot paper in case they have not casted their vote by remote e-voting.

III. The members who have casted their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting ***but shall not be entitled to cast their votes again***.

IV. The remote e-voting period commences on Wednesday, the 3rd August, 2016 (9:00 a.m. IST) and ends on Friday, the 5th August, 2016 (5:00 p.m. IST). During this period, the members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 30th July, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter.

V. Once the vote on a resolution is cast by the member, such member shall not be allowed to change it subsequently.

VI. A person who is not a member as on cut-off date should treat this Notice for information purpose only.

VII. The process and manner for remote e-voting is as under:

A. Member whose email IDs are registered with the Company/ DPs will receive an email from Karvy informing them of their User-ID and Password. Once the Members receives the email, he or she will need to go through the following steps to complete the e-voting process:

(i) Launch internet browser by typing the URL: https://evoting.karvy.com

(ii) Enter the login credentials (i.e. User ID and password) which will be sent separately. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit https://evoting.karvy.com or contact toll free number 1-800-3454-001 for your existing password.

(iii) After entering these details appropriately, click on "LOGIN".

(iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (az), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(v) You need to login again with the new credentials.

(vi) On successful login, the system will prompt you to select the E-Voting Event Number for Balkrishna Industries Limited.

(vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

(viii) Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.

(ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

(x) You may then cast your vote by selecting an appropriate option and click on "Submit".

(xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

(xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: mnbhalekar@rediffmail.com or shares@bkt-tires.com.

B. In case a member receives physical copy of the Notice of Annual General Meeting [for members whose email IDs are not registered or have requested the physical copy]:

a) Initial password is provided in below format at the bottom of the Attendance Slip for the Annual General Meeting :

EVENT NO.	USER ID	PASS WORD

b) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) above to cast vote.

VIII. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website https://evoting.karvy.com.

IX. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

X. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication.

XI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 30th July, 2016.

XII. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 30th July, 2016, may obtain the User ID and password in the manner as mentioned below:

a) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

b) Member may send an e-mail request to evoting@karvy.com. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

c) Member may call Karvy's toll free number 1-800-3454-001.

d) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : **MYEPWD** <space> E-Voting Event Number + Folio No. or DP ID Client ID to **9212993399**

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL : MYEPWD <SPACE> 1402345612345678

Example for Physical : MYEPWD <SPACE> XXXX1234567890

XIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, 30th July, 2016 only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.

XIV. Mr. Murlidhar Bhalekar, Practising Company Secretary has been appointed as the Scrutiniser by the Board of Directors of the Company to scrutinise the e-voting process in a fair and transparent manner.

XV. Voting shall be allowed at the end of discussion on the resolutions on which voting is to be held with the assistance of Scrutiniser, by use of ballot paper for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

XVI. The Scrutiniser shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or to a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

XVII. The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company www.bkt-tires.com and on the website of Karvy immediately after the declaration of result by the Chairman or by a person duly authorised. The results shall also be immediately forwarded to the National Stock Exchange of India Limited and BSE Limited, where the equity shares of the Company are listed.

XVIII. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Annual General Meeting i.e. August 6, 2016.

By order of Board of Directors
For Balkrishna Industries Limited

Vipul Shah
Director & Company Secretary
DIN No: 05199526

Mumbai
Dated: 18th May, 2016

Registered Office:
B-66, Waluj MIDC,
Waluj Industrial Area
Aurangabad 431 136
Maharashtra

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act)

The following Statement set out all material fact relating to the Special Business mentioned in the accompanying Notice:

Item No.5:

The Board of Directors of the Company ("the Board") at its Meeting held on 18th May, 2016 has, subject to the approval of members, re-appointed Mr. Arvind Poddar as Chairman & Managing Director of the Company w.e.f. 1st August, 2016 to 31st July, 2021 for a period of 5 years from the expiry of his present term which will expire on 31st July, 2016 at the following remuneration recommended by Nomination and Remuneration Committee of the Board w.e.f 1st August, 2016, with power to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in Schedule V of the Companies Act, 2013 or any statutory amendment or relaxation thereof, subject to the approval of Shareholders of the Company at its ensuing General Meeting.

While re-appointing Mr. Arvind Poddar as Chairman & Managing Director of the Company, the Board of Directors considered his contribution to overall progress of the Company.

Moreover, the Company is concentrating on its expansion plan besides exploring opportunities both in India and abroad.

The Board is of opinion that his services should continue to be available to the Company to achieve still greater heights, by re-appointing him as Chairman & Managing Director as mentioned in the resolution, subject to the approval of the Shareholders.

Taking into consideration the duties and responsibilities of the Chairman and Managing Director, the prevailing managerial remuneration in industry and on recommendation of the nomination and remuneration committee the Board at their meeting held on 18th May, 2016 approved the remuneration, terms and conditions of the re-appointment of Mr. Arvind Poddar, subject to the approval of the shareholders on remuneration including minimum remuneration as set below:

Salary

Rs. 25,00,000 p.m. – Rs. 2,00,000 p.m. – Rs. 35,00,000 p.m.

Commission

As may be determined by the Board of Directors of the Company at the end of each financial year, subject to overall ceiling stipulated from time to time under Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013, as may for the time being be in force.

Perquisites

In addition to the salary and commission, the following perquisites shall also be allowed to Mr. Arvind Poddar :

Housing

The Company shall provide fully furnished residential accommodation together with all amenities, facilities and utilities such as Gas, Water, Electricity and Fuel etc. as may be approved by the Board from time to time.

In case no accommodation is provided by the Company, the Managing Director shall be entitled to House Rent Allowance to the extent of 60% of the basic salary.

Medical reimbursement

Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalisation, nursing home and surgical charges for himself and family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for patient and attendant are also payable. Premium for medical insurance incurred for self and family will be paid by the Company.

Leave Travel Concession

Reimbursement of actual travelling expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family during leave travel periods, wherever undertaken, whether in India or abroad.

Club Membership

Subscription or reimbursement of membership fees for clubs in India and/or abroad, including admission and life membership fees.

Personal Accident Insurance

The actual premium paid.

Provident Fund, Superannuation Fund and Annuity Fund

Contribution to Provident Fund, Superannuation Fund and Annuity Fund will not be included in the computation of remuneration to the extent these singly or put together are not taxable under Income Tax Rules, 1962.

Gratuity

Gratuity shall be payable at half month's salary for each completed year of service and will not be included in computation of remuneration.

Leave and Encashment of Leave

The Managing Director shall be entitled to leave with full pay as per the rules of the Company and will be entitled to encash the accumulated leave at the end of the tenure/retirement.

Use of Car with Driver

The Company shall provide fully maintained car with driver for business and personal use.

Free Telephone, Facsimile and other Communication Facilities

The Company shall provide free Telephone, Facsimile and other communication facilities at the Managing Directors' residence.

Entertainment Expenses

Reimbursement of entertainment expenses incurred in the course of business of the Company.

Minimum remuneration

In the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the Managing Director shall be paid remuneration by way of salary, perquisites and allowances as specified above subject to limits specified in Schedule V to the Companies Act, 2013 or any amendment thereto.

Explanation

Except Mr. Arvind Poddar himself, Mr. Rajiv Poddar and Mrs. Vijaylaxmi Poddar, being relatives may be deemed to be concerned and interested in the said resolution. No other Director and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Arvind Poddar under Section 190 of the Act.

The Board commends the Ordinary Resolutions set out at Item No. 5 of the Notice for approval by Shareholders.

By Order of the Board of Directors
For Balkrishna Industries Limited

Vipul Shah
Director & Company Secretary
DIN No: 05199526

Mumbai
Dated: 18th May, 2016

Registered Office:
B-66, Waluj MIDC, Waluj Industrial Area
Aurangabad 431 136, Maharashtra

Details of the Directors seeking re-appointment in the forthcoming Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

Name of the Director	Mr. Arvind Poddar	Mr. Vipul Shah
Director Identification Number	00089984	05199526
Date of Joining the Board	31.01.2004	11.02.2012
Profile of the Director	B.Com	B.Com, ACS
Age	58 years	53 years
Nature of Expertise in specific functional area	Industrialist with vast experience in Tyre & Textile Industry	Professional
No. of shares held in the Company	500 Equity Shares	NIL
Names of the listed entities in which person also holds the directorship and the membership of Committees of the Board.	NIL	NIL

Note * Private Limited Companies and Companies under Section 8 of the Companies Act, 2013 have been excluded.

Balkrishna Industries Limited

ATTENDANCE SLIP

CIN : L99999MH1961PLC012185
Regd. Office : B-66, Waluj MIDC, Waluj Industrial Area, Aurangabad 431136, Maharashtra
Corp. Office: BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013
Tel.: + 91-22-66663800 | **Fax :** +91-22-66663898/99 | **Email:** shares@bkt-tires.com
Website: www.bkt-tires.com

Sr. No.:

I / We hereby record my / our presence at the 54th Annual General Meeting of the Company held on Saturday, 6th August, 2016 at 12:00 Noon. at B-66, Waluj MIDC, Waluj Industrial Area, Aurangabad 431136. Maharashtra.

.....	.....	.....
Member's Folio/DP ID - Client ID No.	Member's / Proxy's name in Block Letters	Member's / Proxy's Signature

Note : 1. Member/Proxy holder attending the meeting must bring the attendance slip to the meeting and hand it over at entrance duly signed.
2. A Member / Proxy holder attending the meeting should bring copy of the Annual Report for reference at the meeting.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.

Balkrishna Industries Limited

PROXY FORM

CIN : L99999MH1961PLC012185
Regd. Office : B-66, Waluj MIDC, Waluj Industrial Area, Aurangabad 431136, Maharashtra
Corp. Office: BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013
Tel.: + 91-22-66663800 | **Fax :** +91-22-66663898/99 | **Email:** shares@bkt-tires.com
Website: www.bkt-tires.com

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

I/We, being the member (s), holding..... shares of the above named company, hereby appoint:

1. Name..... Address .....
   Email Id ..... Signature ..... or failing him / her;
2. Name..... Address .....
   Email Id ..... Signature ..... or failing him / her;
3. Name..... Address .....
   Email Id ..... Signature .....

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 54th Annual General Meeting of the Company to be held on Saturday, the 6th Day of August, 2016, at 12:00 Noon at B-66, Waluj MIDC, Waluj Industrial Area, Aurangabad 431136 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars of Resolution	Option	
	Ordinary Business	For	Against
1.	Adoption of Audited Financial Statement for the financial year ended 31st March, 2016 and the Audited Consolidated Financial Statement for the financial year ended 31st March, 2016.		
2	To confirm Interim Dividend already paid for the financial year ended 31st March, 2016 and to treat the said Interim Dividend as Final Dividend for the financial year ended 31st March, 2016.		
3	Re-appointment of Mr. Vipul Shah as a Director of the Company, liable to retire by rotation and being eligible, offers himself for re-appointment.		
4	Appointment of Statutory Auditors.		
5	To re-appoint Mr. Arvind Poddar as Chairman & Managing Director for a period of five years w.e.f. 1st August, 2016.		

Signed this ..... day of 2016

Affix 1/- Rupee Revenue Stamp

Member's Folio/DP ID - Client ID No.....

Signature of the Member ..... Signature of the Proxy.....

Notes:

(i) This Form of Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Corporate Office / Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be member of the Company.

(ii) It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

(iii) Please complete all details including details of Member(s) in the above Box before submission.

(iv) A proxy need not be member of the Company.

E-VOTING PARTICULARS

ELECTRONIC VOTING PARTICULARS		
Electronic Voting Even Number (EVEN)	User ID	Password
2400		

Notes : Please refer to the instructions given in the Notice of the 54th Annual General Meeting under the Heading 'Voting through electronic means'.The E-voting period commences on Wednesday, the 3rd August, 2016 (9:00 a.m. IST) and ends on Friday, the 5th August, 2016 (5:00 p.m. IST).

Details of Venue of the Annual General Meeting

Address : B-66, Waluj MIDC, Waluj Industrial Area, Aurangabad 431136, Maharashtra

Landmark : Near Hotel Oasis, Pratap Chowk

ROUTE MAP

