

Powering Growth
Empowering Future

Balkrishna Industries limited

51st ANNUAL REPORT 2013



Lord Ganesha

Contents

• Company Information.....	01
• Financial Highlights.....	02
• Director' Reports.....	04
• Corporate Governance Report.....	10
• Auditors' Report.....	17
• Balance Sheet.....	20
• Profit and Loss Account.....	21
• Notes to Financial Statement.....	22
• Cash Flow Statement.....	41
• Consolidated Auditors' Report.....	43
• Consolidated Balance Sheet.....	44
• Consolidated Profit and Loss Statement.....	45
• Notes to Consolidated Financial Statement.....	46
• Consolidated Cash Flow Statement.....	63

BOARD OF DIRECTORS:

DHARAPRASAD PODDAR
Chairman Emeritus

ARVIND PODDAR
Chairman & Managing Director

VIJAYLAXMI PODDAR
Executive Director (w.e.f.30.05.2012)

RAJIV PODDAR
Executive Director

SACHIN NATH CHATURVEDI
SUBHASH CHAND MANTRI
RAMESHKUMAR PODDAR
KHURSHED DOONGAJI
LAXMIDAS MERCHANT
SANJAY ASHER
ASHOK SARAF
VIPUL SHAH
Whole Time Director & Company Secretary

MANAGEMENT COMMITTEE

DILIP VAIDYA – Director (Technical)

RAJIV PODDAR

KHUSHBOO PODDAR

BASANTKUMAR BANSAL- Director (Finance)

REGISTERED OFFICE:

H-3/1 MIDC "A" Road, Tarapur (Boisar) 401 506
Dist. Thane (Maharashtra)

PLANTS :

TYRE MANUFACTURING :

WIND FARM :

MOULD UNITS :

BANKERS:

CORPORATION BANK
THE ROYAL BANK OF SCOTLAND N.V.
STANDARD CHARTERED BANK
STATE BANK OF INDIA
ING VYSYA BANK LTD
BARCLAYS BANK PLC
BANK OF BARODA
INDUSIND BANK LIMITED
CITI BANK N.A.
AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED
BNP PARIBAS
SOCIETE GENERALE
KINGS TOWN BANK
INDIAN BANK
HDFC BANK LIMITED
BANK OF TOKYO-MITSUBISHI UFJ
DBS BANK LIMITED

AUDITORS:

M/s. JAYANTILAL THAKKAR & CO.
Chartered Accountants

INTERNAL AUDITORS:

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

COST AUDITORS:

M/s. R S RAGHVAN & CO.
Cost Accountants

CORPORATE OFFICE:

BKT House, C/15, Trade World, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013,
(Maharashtra)

B-66, Waluj MIDC, Waluj Indl. Area,
Dist. 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,
District Kachchh. (Gujarat)

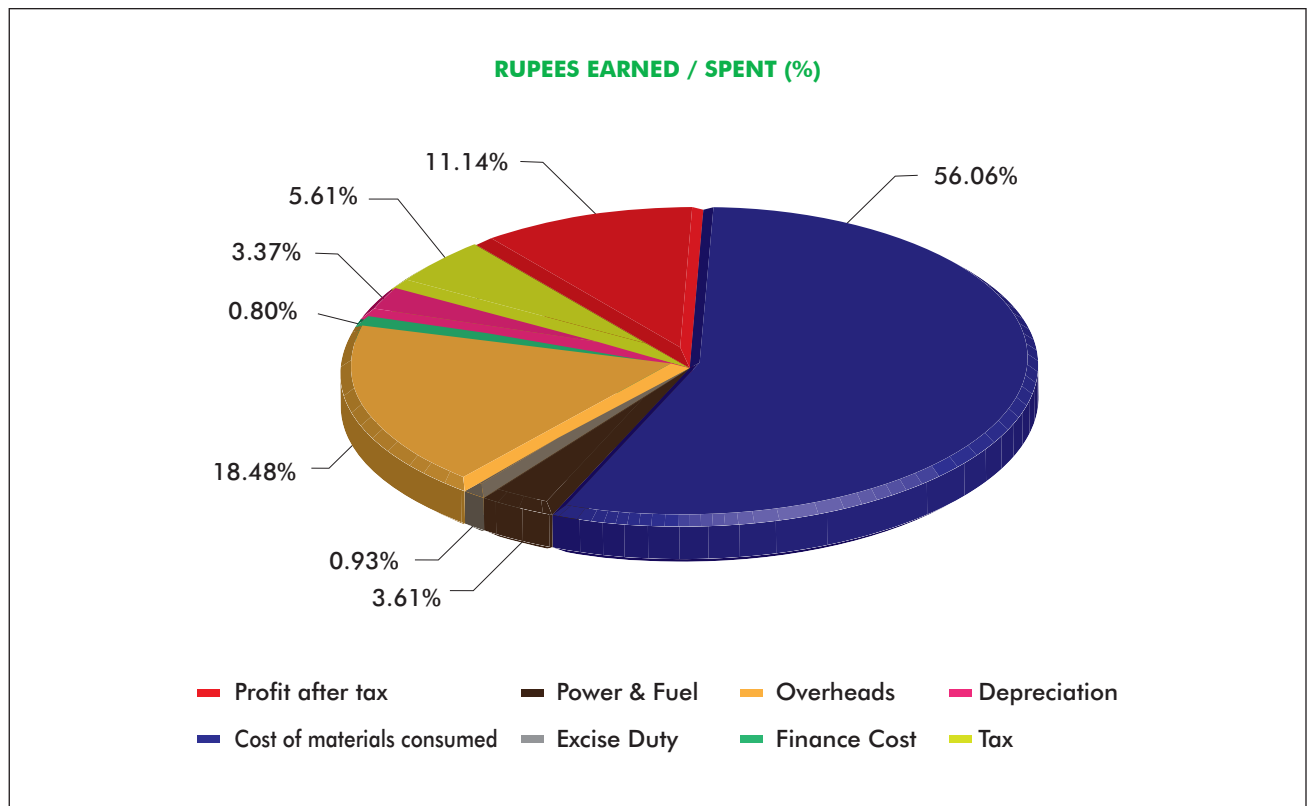
Village Soda Mada, Tehsil: Fatehgarh,
Dist. Jaisalmer (Rajasthan)

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

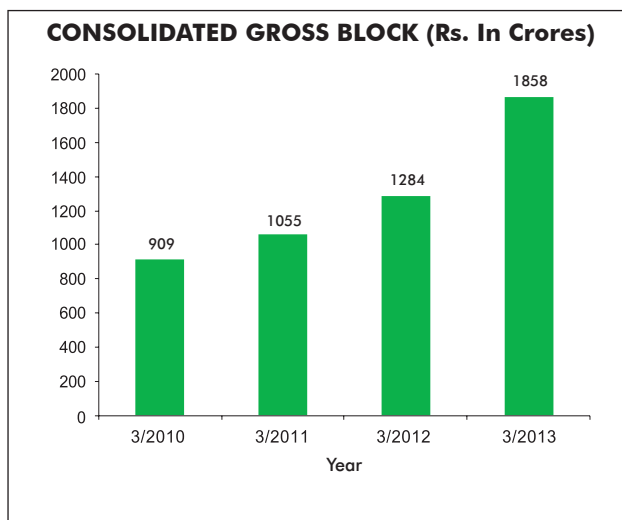
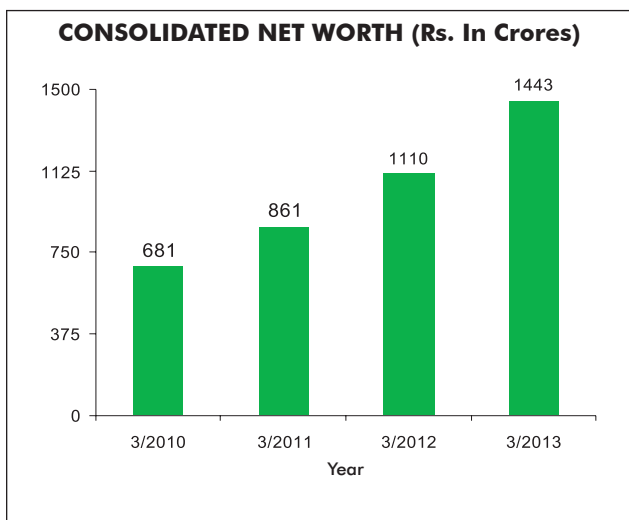
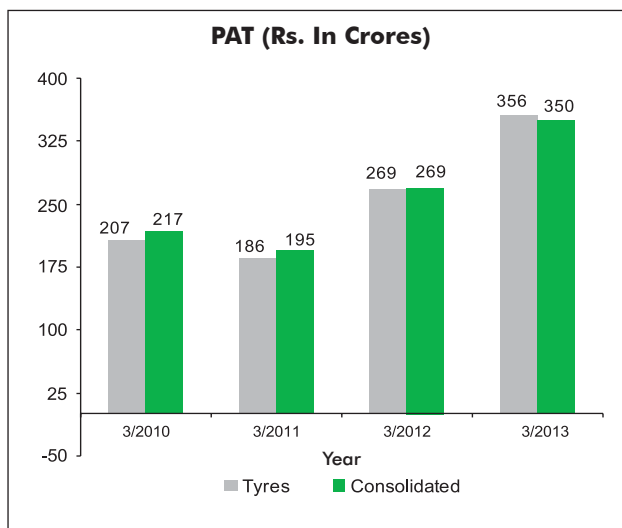
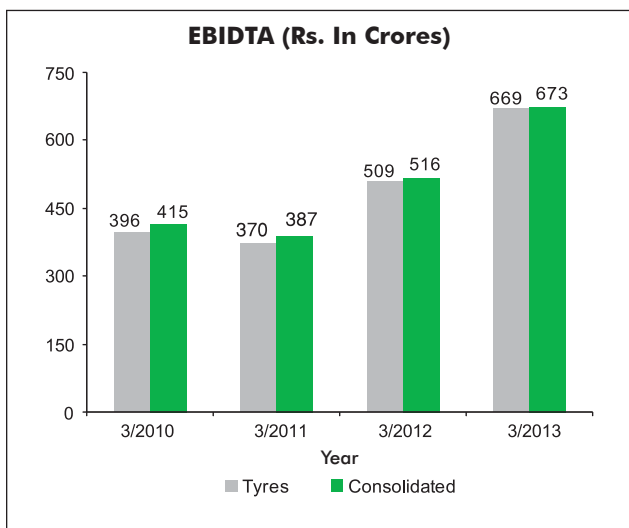
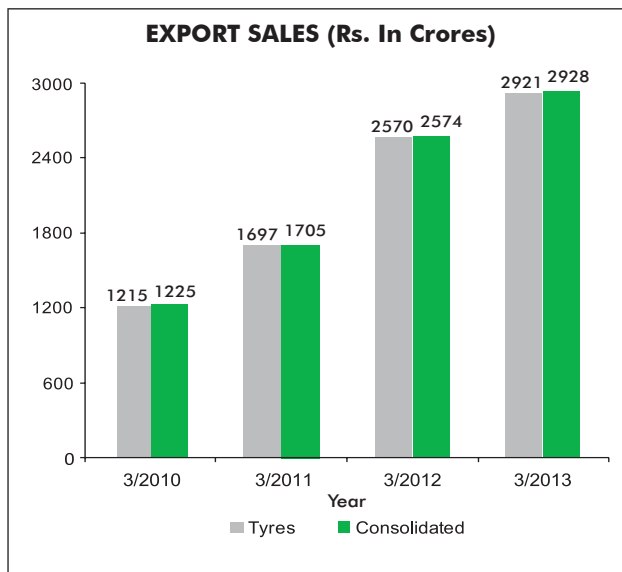
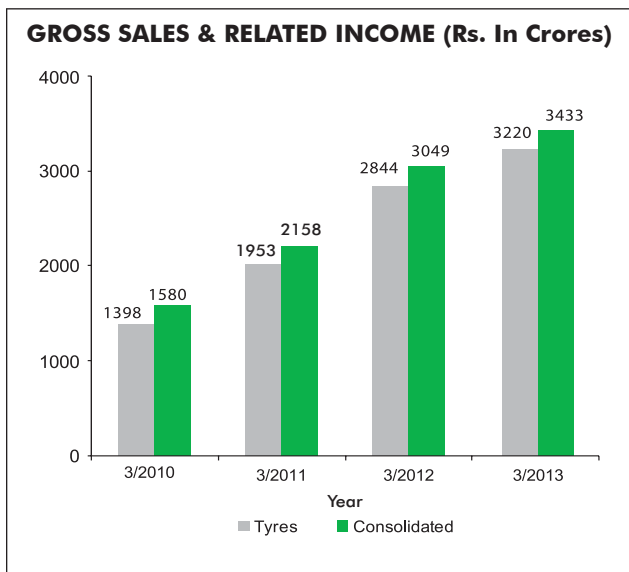
Members are requested to bring their copy of the Annual Report along with them at the Annual General Meeting, as copies of the Report will not be distributed at the Meeting.

FINANCIAL HIGHLIGHTS (CONSOLIDATED)

Particulars	(Rs. In Crores)			
	2013	2012	2011	2010
Year ended 31st March	2013	2012	2011	2010
Revenue from operations (Gross)	3433	3049	2158	1580
Revenue from operations (Net)	3394	3017	2132	1564
Other Income	5	4	92	30
Total Revenue	3399	3021	2224	1594
PBIDT	673	516	387	415
PBDT	646	487	365	396
Depreciation	112	87	77	69
PBT	534	400	288	327
Taxes	184	131	94	110
PAT	350	269	194	217
Dividend	75%	75%	70%	70%
Earning per Share of Rs. 2 each	36.20	27.48	20.14	22.67
Total Cash Accruals	446	339	256	270



FINANCIAL HIGHLIGHTS



DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

Your Directors are pleased to present the 51st Annual Report and Audited Statement of Accounts for the year ended 31st March, 2013.

(Rs. In Crores)

	Current Year ended		Previous Year ended	
	31.03.2013		31.03.2012	
Income from Operations and other Operating Income		3220.20		2844.57
Less: Excise Duty Recovered on Sales		29.63		24.61
Total Income from Operations (Net)		3190.57		2819.96
Gross Profit		642.91		481.36
Less: Depreciation and Amortization		107.71		83.14
Profit before Tax		535.20		398.22
Less: Provision for Taxation				
Current Tax	142.10		124.10	
Deferred Tax (Net)	37.27	179.37	5.60	129.70
Profit after Tax		355.83		268.52
(Less)/Add: Adjustments relating to earlier years				
Excess/(Short) Provision of Taxation		NIL		(3.35)
Profit after adjustment relating to earlier years		355.83		265.17
Balance brought forward from last year		87.72		389.31
PROFIT AVAILABLE FOR APPROPRIATIONS:		443.55		654.48
Transfer to General Reserve		350		549.91
Proposed Final Dividend		14.50		14.50
Tax on Final Dividend		2.46		2.35
Balance Carried forward to balance sheet		76.59		87.72

OPERATIONS:

Your Company mainly operates in one single segment i.e. "tyres" with focus on manufacture of wide range of "Off-Highway Specialty tyres". These specialty tyres are meant for Agricultural, Industrial, Material Handling, Construction, Earthmoving (OTR), Forestry, Lawn & Garden Equipments and All Terrain Vehicles (ATV). Around 90% of our revenue is generated through exports.

During the year under consideration, the revenue of your Company from its operations has grown by 13%. The Net Turnover and other Income of the company has increased from Rs. 2,820 Crores to Rs. 3,190 Crores.

The Gross Profit of the Company for the year under consideration has increased from Rs. 481 Crores to Rs. 643 Crores and correspondingly, the profit after tax has increased to Rs.356 Crores as compare to Rs.269 Crores in the previous year.

Your Company continues to enjoy the status of "STAR TRADING HOUSE".

DIVIDEND:

Your Directors are pleased to recommend Dividend of Rs.1.50 (75%) for the year, with a total payout of Rs. 16.96 Crores, including Tax on Dividend.

CAPITAL EXPENDITURE:

During the year, the company has carried out a modernization scheme at its existing plants by adding balancing equipments, with a view to remove debottlenecking and marginally improve its production capacity. The capex cost amounted to Rs.145 Crores.

The company has so far incurred capital expenditure of Rs. 912 Crores (approx.) towards its major upcoming green field tyre project at Bhuj Gujarat.

OUTLOOK FOR THE CURRENT YEAR 2013-2014:

The company revenue is mainly generated from exports to Europe and USA. However the markets have been under pressure due to global recession during the last financial year. The overall business environment across the globe continues to be under pressure; however USA has started showing signs of recovery and we are hopeful that such recovery is sustainable throughout the year. Despite a difficult business environment we are causally optimistic about showing moderate growth in exports during the current financial year.

Raw materials prices had declined in the last financial year on account of slacking demand in the tyre sector. Other input cost has also increased. However we expect that profit margin would show an improvement during the current financial year, if raw materials prices remain stable.

The long-term prospects of the company are definitely positive and the company continues to expand its product base by developing different types of tyres and venturing in to new geographies. The company has also established sales offices in various countries of the world to ensure deeper penetration into existing markets and sustain its future growth.

OPPORTUNITY & THREATS:

OPPORTUNITIES:

The segment in which your company operates is predominantly “large varieties - low volume segment”, which restricts plant capacity utilization. It is both a capital intensive and labour intensive proposition, making it un-attractive for fresh investments by major players. Your Company is fully geared 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, the segment is not exposed to any technological obsolescence and wild fluctuations in demand of its products.

The Company has incremental opportunity to develop the “Earth Moving tyres” (OTR) markets and take advantage of the shift from bias to radial tyres, which is picking up rapidly. In this pursuit, the company has already set up an all-steel OTR Radial tyre plant at its Chopanki location and thereby has become the first company in India to set up such plant. Your company is in the process of expanding its base into its various sub-segments like agricultural, industrial, construction, mining, winter and solid tyres under both the technology – 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 moved up considerably in the past. Recently there has been a softening in the prices of natural rubber and other raw materials which are expected to continue for some more time. Whilst lower prices of raw materials may improve its profit margin it could be partly vitiated as the company would need to pass on the benefits to its customers.

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 will be offset against the revenues of the company which are also in foreign currency. The increase in utility and other administrative costs may also marginally affect the profitability of the company adversely. In order to minimize such risks, the Company not only enters into medium-term contracts but also adopts the policy of “Buy and Stock” large quantities during the lean period.

Labour Relations: Since the nature of 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 and spends lot of money and Management’s time for their welfare, safety and to improve the quality of 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 generated through exports.

Since approximately 90% of the Company’s revenues are generated through exports. The Company also imports lot of its raw materials and capital equipments. 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 and major payments well in advance by entering into Forward Contracts, thereby protecting itself from 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 the biggest asset of the Company. 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 were conducted to develop the personality and outlook of its employees. Employee relations continue to be cordial.

SUBSIDIARY COMPANIES:

The company has following 100% subsidiary companies:

Balkrishna Paper Mills Limited, Balkrishna Synthetics Limited, BKT Tyres Limited, BKT Exim Limited and Indirect subsidiary Companies i.e subsidiary companies of BKT Exim Limited; i.e. BKT (EUROPE) LTD., BKT EUROPE S.R.L. and BKT (USA) INC.

As required under the Listing Agreement with the Stock Exchanges, a Consolidated Financial Statement of the Company and all its subsidiaries is attached. The Consolidated Financial Statement has been prepared in accordance with Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, and form part of the Annual Report and Accounts.

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the subsidiary Companies and the related information to any member of the Company who may be interested in obtaining the same. These documents will also be available for inspection by any members at the Corporate Office of the Company and that of respective subsidiary companies.

The financial data of the Subsidiaries have been furnished under 'Details of Subsidiaries' forming part of the Annual Report.

DIRECTORS:

Shri Ashok Saraf, Shri Laxmidas Merchant, Shri Rajiv Poddar and Shri Subhash Chand Mantri retire by rotation and being eligible, offer themselves for re-appointment.

Necessary resolutions for their re-appointment are placed before the Shareholders. Your Directors commend the resolutions.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis, Corporate Governance Report and Auditor's Certificate regarding Compliance of the same are made a part of this Annual Report.

FIXED DEPOSITS:

There are no deposits as on 31st March 2013.

INDUSTRIAL RELATIONS:

Industrial relations with staff and workers continue to be cordial.

PARTICULARS OF EMPLOYEES:

In terms of the provision of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report.

However, having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company. Any members interested in obtaining such particulars may write to the Company Secretary at the Corporate Office of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, is given in the Annexure-I to the report.

RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) In the preparation of the accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (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 at the end of the financial year and of the Profit of the Company for the year under review;
- (iii) The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the accounts for the financial year ended 31st March, 2013 on a "going concern" basis.

AUDITORS:

The members are requested to appoint Auditors and fix their remuneration. Messers Jayantilal Thakkar & Co., Chartered Accountants, the retiring Auditors have furnished certificates of their eligibility for re-appointment as required under Companies Act, 1956.

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 be affected 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 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

ARVIND PODDAR
Chairman & Managing Director

Place : Mumbai,
Dated : 1st August, 2013

ANNEXURE – I

Information as per Section 217(1)(e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2013.

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 equipments 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 equipments by modern and energy efficient equipments.

(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)	10,19,39,109	8,61,55,096
	Total amount (Rs. in lacs)	5,865	4,450
	Rate/Unit (Rs.)	5.75	5.17
	(b) Own generation		
	(i) Through Diesel Generation Sets		
	Units (KWH)	2,21,61,287	2,77,81,351
	Units per liter of H.S.D/L.D.O/Furnace Oil	3.34	3.80
	Cost/Unit (Rs.)	13.47	9.94
	(ii) Through Wind Mill (for Captive Consumption)		
	Units (KWH)	60,27,309	61,97,218
2	Pet Coke (specify quality and where used)		
	The Company also used Pet Coke grade B/C in its Boilers		
	Quantity (Tons)	35,051	34,790
	Total Amount (Rs. in lacs)	2,722	2,683
	Average Rate (Rs./Ton)	7,766	7,712
3	Coal (specify quality and where used)		
	The Company also used Steam Coal grade B/C in its Boilers		
	Quantity (Tons)	6,989	NIL
	Total Amount (Rs. in lacs)	251	NIL
	Average Rate (Rs./Ton)	3,594	NIL
4	H.S.D/L.D.O/Furnace Oil		
	Quantity (K.Ltrs)	6,633	7,307
	Total Amount (Rs. in lacs)	2,984	2,761
	Average Rate (Rs./KL) (Net of Modvat, Wherever applicable)	44,991	37,792

II. Consumption per unit of production:

	Electricity (KWH)	Pet Coke (Kgs)	Coal (Kgs)	Furnace Oil (Ltr)
Automobile Tyres (MT)	890 (863)	251 (264)	0 (NIL)	48 (55)

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:

Efforts made in technology absorption as per Form 'B':

FORM 'B'**I. Research and development (R&D):**

1. Specific areas in which R&D carried out by the Company:

Product and quality improvement, development of new designs/products, cost control and energy conservation.

2. Benefits derived as a result of the above R&D:

The R&D activities have resulted in conserving of scarce raw materials, higher productivity and containing the costs all around.

3. Future plan of action:

Water and energy conservation, development of new designs of tyres, further improvement in process technology and product mix.

4. Expenditure on R&D (Rs. in lacs):

(a) Capital	:	937.19
(b) Recurring	:	757.79
(c) Total	:	1694.98

II. 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.

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 Tyres, Tubes and Flaps during the year amounted to Rs.2,832 Crores as against Rs.2,497 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 : 1,867 Earned :2,922

For and on behalf of the Board of Directors

ARVIND PODDAR
Chairman & Managing Director

Place : Mumbai,

Dated : 1st August, 2013

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2012-2013

(As required under Clause 49 of the Listing Agreement entered into with Stock Exchanges)

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, your 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 your Company has been to achieve business excellence, to enhance shareholders value, keeping in view the needs and the interest of the shareholders.

BOARD OF DIRECTORS:

The Company at the end of the year on 31st March 2013 has Eleven Directors comprising of; Non-Executive & Non-Independent Director, Non- Executive & Independent Directors and Whole Time Directors (Managing Director, Executive Directors 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 numbers of the Independent Directors are more than 50% of the total number of Directors and the numbers of the Non-Executive Directors are more than 50% of the total number of Directors.

The constitution of the Board during the course of the year ended 31st March, 2013.

Name of the Directors	Category of Directors	Board meetings attended during the year	Whether attended last Annual General Meeting	Number of Directorships in other public companies		Number of Mandatory Committee positions held in other public companies	
				Chairman	Member	Chairman	Member
Shri Dharaprasad Poddar (Upto 29.05.2012)	Non-Executive & Non – Independent Director	N.A.	N.A.	-	-	-	-
Shri Arvind Poddar	Chairman & Managing Director	4	Y	4	3	-	1
Shri Rameshkumar Poddar	Non-Executive & Non – Independent Director	2	N	1	-	-	1
Shri Sachin Nath Chaturvedi	Non-Executive & Independent Director	4	Y	-	4	-	2
Shri Khurshed Doongaji	Non-Executive & Independent Director	4	Y	-	1	2	-
Shri Sanjay Asher	Non-Executive & Independent Director	3	Y	-	14	4	6
Shri Subhash Chand Mantri	Non-Executive & Independent Director	4	Y	-	2	-	-
Shri Ashok Saraf	Non-Executive & Independent Director	3	Y	1	-	-	-
Shri Laxmidas Merchant	Non-Executive & Independent Director	3	N	-	2	2	-
Shri Anurag Poddar (Upto 29.05.2012)	Executive Director	N.A.	N.A.	-	3	-	-
Smt. Vijaylaxmi A Poddar (w.e.f 30.05.2012)	Executive Director	4	N	-	6	-	-
Shri Rajiv Poddar	Executive Director	4	Y	-	6	-	-
Shri Vipul Shah	Director & Company Secretary	4	Y	-	-	-	-

1. Shri Arvind Poddar, Smt. Vijaylaxmi Poddar and Shri Rajiv Poddar are relatives of each other.
2. Shri Dharaprasad Poddar is a relative of Shri Rameshkumar Poddar and Shri Anurag Poddar and Vice Versa.

Number of Board Meetings held and the dates on which held:

The Company held four Board Meetings during 2012-2013 and the gap between two meetings did not exceed four months The meetings were held on 30th May, 2012, 4th August, 2012, 10th November, 2012 and 14th February, 2013.

The information as required under Annexure 1A to Clause 49 of the listing agreement is being made available to the Board. These are submitted either as a part of the agenda papers well in advance of the Board meetings or are tabled in the course of the Board meetings.

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

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 www.bkt-tires.com.

Remuneration to Directors:

The Board of Directors on the recommendation of the Remuneration Committee fixes remuneration of Managing /Executive Whole-Time Directors 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.

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
Shri Dharaprasad Poddar Upto 29.05.2012	NIL	NIL	NIL	2500	2500	*
Shri Arvind Poddar	1,80,00,000	2,34,27,542	7,20,00,000	NIL	11,34,27,542	01.08.2011 to 31.07.2016
Shri Rameshkumar Poddar	NIL	NIL	NIL	37,500	37,500	*
Shri Sachin Nath Chaturvedi	NIL	NIL	NIL	1,20,000	1,20,000	*
Shri Khurshed Doongaji	NIL	NIL	NIL	1,25,000	1,25,000	*
Shri Sanjay Asher	NIL	NIL	NIL	45,000	45,000	*
Shri Subhash Chand Mantri	NIL	NIL	NIL	1,25,000	1,25,000	*
Shri Ashok Saraf	NIL	NIL	NIL	45,000	45,000	*
Shri Laxmidas Merchant	NIL	NIL	NIL	45,000	45,000	*
Shri Anurag Poddar Upto 29.05.2012	3,87,097	15,29,113	NIL	NIL	19,16,210	22.01.2009 to 29.05.2012
Smt. Vijaylaxmi Poddar w.e.f. 30.05.2012	1,00,64,516	95,58,055	3,01,93,548	NIL	4,98,16,119	30.05.2012 to 29.05.2017
Shri Rajiv Poddar	1,20,00,000	1,54,45,602	3,60,00,000	NIL	6,34,45,602	22.01.2009 to 21.01.2014
Shri Vipul Shah	8,47,200	12,54,551	NIL	NIL	21,01,751	11.02.2012 to 10.02.2017

* Retire by rotation

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

The Company does not have Stock Option Scheme.

Notice Period

The Notice Period for the Managing /Executive/Whole-Time Directors is three months 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.

Details of Shareholding of Directors as on 31st March, 2013:

Name of Director	No. of Shares held of Rs. 2 Each
Shri Arvind Poddar	500
Shri Rameshkumar Poddar	100
Smt. Vijaylaxmi Poddar	8,38,170
Shri Rajiv Poddar	10,69,790

Audit Committee:

The Audit Committee comprises of three Independent Non-Executive Directors viz. Shri Subhash Chand Mantri (Chairman), Shri Sachin Nath Chaturvedi and Shri Khurshed Doongaji.

All the members have financial and accounting knowledge and the Chairman, Shri Subhash Chand Mantri, is a Chartered Accountant. The Director & Company Secretary, Shri Vipul Shah, acts as the Secretary of the Committee.

The broad terms of reference of Audit Committee were: To review reports of the Internal Auditors and discuss the same with the Internal Auditors periodically, to meet the Statutory Auditors to discuss their findings, suggestions and other related matters, to review weaknesses, if any, in internal controls reported by the Internal and Statutory Auditors.

The scope of the activities of the Audit Committee includes the areas prescribed by Clause 49 II (D), (E) and has been granted powers as prescribed under Clause 49 II (C), of the Listing Agreement.

The Audit Committee met for four times during the year on 30th May, 2012, 4th August, 2012, 10th November, 2012 and 14th February, 2013 where all the members of the Committee were present.

The Chairman of the Audit committee was present at the last Annual General Meeting held on 1st September, 2012.

Subsidiary Companies:

The Company does not have material non-listed Indian Subsidiary Company. 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.

Remuneration Committee:

The Remuneration committee comprises of Shri Subhash Chand Mantri (Chairman), Shri Sachin Nath Chaturvedi and Shri Khurshed Doongaji.

The terms of reference of the Remuneration Committee, inter alia consists of reviewing remuneration policy and other employment terms of the Managing/Executive/ Whole-Time Directors.

The Remuneration Committee met one time during the year on 30th May, 2012 where all the members of the Committee were present for the said meetings.

Remuneration Policy

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

Share Transfer and Shareholders'/ Investors' Grievance Committee:

The Shareholders'/Investors' Grievance 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.

During the year Share Transfer and Shareholders'/Investors' Grievance Committee comprises of Shri Arvind Poddar (Chairman), Shri Rameshkumar Poddar, Smt. Vijaylaxmi Poddar and Shri Rajiv Poddar. The Director & Company Secretary, Shri Vipul Shah, has been designated as Compliance Officer.

The above committee has met for four times during the financial year ended 31st March, 2013. The meetings were held on 25th April, 2012, 24th July, 2012, 19th October, 2012 and 30th January, 2013 where all the members of the Committee were present for the said meetings except Shri Rameshkumar Poddar who was absent in the meeting held on 19th October, 2012.

The Chairman of Committee Shri Arvind Poddar has resigned w.e.f 1st August, 2013. Shri Sachin Nath Chaturvedi, is appointed as Chairman of the Committee w.e.f. 1st August, 2013. The Committee is reconstituted. Shri Sachin Nath Chaturvedi (Chairman), Shri Arvind Poddar, Shri Rameshkumar Poddar, Shri Rajiv Poddar and Smt. Vijaylaxmi Poddar - members of the Committee.

During the year ended 31st March 2013, One Complaint/ query was received which was attended to and resolved satisfactorily during the year. There was no complaint pending as on 31st March, 2013.

As at 31st March 2013, there was no Share Transfer pending for Registration for more than 30 days.

General Body Meeting:

Details of the last three Annual General Meetings:

Year	Location	Date	Time
2009-2010 48 th AGM	G-4/1 "MIDC" Tarapur(Boisar) (Maharashtra)	23/08/2010	12:30 p.m.
2010-2011 49 th AGM	G-4/1 "MIDC" Tarapur(Boisar) (Maharashtra)	06/08/2011	12:30 p.m.
2011-2012 50 th AGM	Hotel Sarovar Residency, Near MPCB Office, Chitralaya, Tarapur, Boisar - 401506	01/09/2012	11:30 a.m.

Special Resolution passed in the Previous 3 Annual General Meetings:

At the 48th Annual General Meeting held on 23rd August, 2010, two Special Resolutions were passed, one Special Resolution was passed pertaining to Smt. Khushboo Poddar holding and continuing to hold an office or place of profit under the Company as Executive w.e.f. 14th April, 2010 and other Special Resolution was passed pertaining to increase of borrowing limits to Rs. 2000 Crores.

At the 49th Annual General Meeting held on 6th August, 2011, five Special Resolutions were passed, first Special resolution was passed pertaining to re- appointment of Shri Arvind Poddar, Director of the Company, as a Whole Time Director designated as a Managing Director of the Company, for a period of 5 years with effect from 1st August, 2011, Second Special resolution was revision in the remuneration payable to Shri Basantkumar Bansal, Whole Time Director w.e.f 1st April, 2011 till the remaining period of his term, Third Special resolution was commencement of new Trading activities in commodities, Fourth and Fifth Special Resolution was revision in the remuneration payable to Smt. Sangeeta Poddar and Smt. Khushboo Poddar respectively and to hold and continue to hold an office or place of profit as Executives of the Company .

At the 50th Annual General Meeting held on 1st September, 2012, four Special Resolutions were passed, first Special resolution was passed pertaining to appointment of Shri Vipul Shah as a Whole Time Director designated as Director & Company Secretary for a period of 5 years with effect from 11th February, 2012, Second Special Resolution was passed pertaining to appointment of Smt. Vijaylaxmi Poddar as a Whole Time Director designated as Executive Director for a period of 5 years w.e.f. 30th May, 2012, Third Special Resolution was passed pertaining to appointment of Smt. Shyamalata Poddar, pursuant to 314 to hold and continue to hold place of profit under the Company as Executive w.e.f. 1st June, 2012 and Fourth Special Resolution was passed pertaining to increase of remuneration of Shri Rajiv Poddar to Rs. 10,00,000/- per month w.e.f. 1st April, 2012 till remaining period of his term.

The Resolutions were put to vote by show of hands and were passed unanimously.

Postal ballots:

No Postal Ballot was conducted during the year.

Disclosure:

None of the transactions with any of the related parties were in conflict with the interest of the Company.

During the last three years, no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matters related to capital markets.

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement relating to Corporate Governance. Further, the Company has adopted following non-mandatory requirements of the Clause.

A Certificate from Managing Director and CFO was placed before the Board.

The Company has set up the Remuneration Committee as per the provision of Clause 49.

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, 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 Economic Times and Maharashtra Times), 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, 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. Management Discussion and Analysis is a part of the Annual Report.

General Shareholder Information:

Annual General Meeting :	
Date	21 st September, 2013
Time	11:30 a.m.
Venue	Plot No: G-4/1, MIDC, Tarapur, Boisar - 401506., Dist. (Thane), Maharashtra.
Date of Book Closure	18 th September, 2013 to 20 th September, 2013
Dividend Payment Date	On or after 21 st September, 2013

Financial Calendar for the year 2013-2014

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 Quarterly Results	Within 45 days from the end of quarter
Results for year end	Within 60 days from the end of financial year.

Listing on Stock on Exchange The Company's Shares are listed on Bombay Stock Exchange Limited and on National Stock Exchange of India Limited.

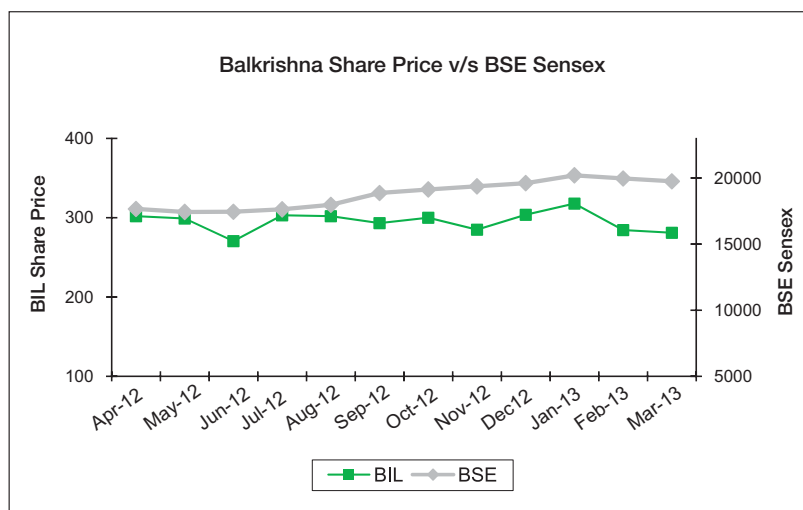
Stock Code Bombay Stock Exchange Limited
Scrip Code No.: 502355(Demat)
National Stock Exchange of India Limited
NSE Code: BALKRISIND; ISIN NO. : INE787D01026

Shareholding Pattern as on 31st March 2013:

Particulars	No. of Shares	%
Promoters	5,63,48,010	58.30
Mutual Funds / UTI	1,90,64,476	19.72
Companies	30,82,924	3.19
Public	79,15,948	8.18
Non Resident Indians	3,24,633	0.34
Foreign Institutional Investors	99,22,604	10.27
TOTAL	9,66,58,595	100.00

Market Price Data (Rs.):

Month	Bombay Stock Exchange Ltd. (BSE)		National Stock Exchange of India Ltd. (NSE)	
	High	Low	High	Low
Apr-12	301.90	251.70	301.90	252.10
May-12	299.00	251.25	299.00	247.00
Jun-12	270.55	241.50	271.90	235.50
Jul-12	303.00	252.85	307.50	250.00
Aug-12	302.00	263.30	303.60	263.15
Sep-12	293.25	266.55	293.90	266.05
Oct-12	300.00	262.15	301.00	262.20
Nov-12	284.95	242.00	285.00	241.10
Dec-12	303.70	249.35	303.00	249.70
Jan-13	317.85	272.80	317.85	274.00
Feb-13	284.40	246.70	290.00	248.00
Mar-13	281.00	247.20	282.00	247.95



Share Transfer System :

The Company has entered into an agreement with SHAREPRO SERVICES (India) PRIVATE LIMITED to act as Share Transfer Agent of the Company with effect from April 01, 2003. SHAREPRO SERVICES (India) PRIVATE LIMITED is also the Company's Depository Interface for both NSDL and CDSL. Accordingly, all documents, transfers, transmission, demat requests and other communications in relation thereto are required to be addressed to the Registrars directly at their following Offices:

Registered Office: M/s Sharepro Services (India) Pvt. Ltd.
(Unit: Balkrishna Industries Limited)
13AB Samhita Warehousing Complex
2nd Floor, Near Sakinaka Telephone Exchange, Andheri Kurla Road, Sakinaka
Andheri (E), Mumbai – 400 072

Contact No.: 022-67720300, 67720400
Fax no.: 022-28591568, 28508927
Email: sharepro@shareproservices.com

Investor Relation Centre: M/s. Sharepro Services (India) Pvt Ltd.
 (Unit: Balkrishna Industries Limited)
 912, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai 400 021
 Contact No.: 022 – 66134700

Distribution of shareholding as on 31st March, 2013:

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of Shares held	% Share holding
1 to 500	8,655	81.18	10,43,991	1.08
501 to 1,000	634	5.95	4,96,139	0.51
1,001 to 2,000	482	4.52	7,29,047	0.75
2,001 to 3,000	251	2.35	6,68,409	0.69
3,001 to 4,000	72	0.68	2,63,123	0.27
4,001 to 5,000	102	0.96	4,70,951	0.49
5,001 to 10,000	183	1.72	12,86,192	1.34
10,001 & above	282	2.64	9,17,00,743	94.87
Total	10,661	100.00	9,66,58,595	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 2013, 98.13% of Company's Shares were dematerialised.

Plant Locations

PLANTS :	
TYRE MANUFACTURING :	B-66, Waluj M.I.D.C., Waluj Indl. Area, Dist. 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)
WIND FARM :	Village Soda Mada, Tehsil: Fatehgarh, Dist. Jaisalmer. (Rajasthan)
MOULD PLANT :	Plot No. TS-1 and C-21, M.I.D.C, Phase No. II, Dombivali(E) 421 201, Dist. Thane (Maharashtra)

For and on behalf of the Board of Directors

Place : Mumbai,
 Dated : 1st August, 2013

ARVIND PODDAR
Chairman & Managing Director

To,

The Members of Balkrishna Industries Limited

I Arvind Poddar, Chairman & Managing Director of Balkrishna Industries Limited declare 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 the Code of Conduct for the year ended March 31, 2013.

For Balkrishna Industries Limited

Arvind Poddar
Chairman & Managing Director

Place : Mumbai;

Dated : 1st August, 2013

AUDITORS' CERTIFICATE

On Compliance with the conditions of Corporate Governance under Clause 49 of the listing Agreement.

To the Members of
Balkrishna Industries Limited

We have examined the compliance of conditions of Corporate Governance by Balkrishna Industries Limited (the Company) for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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)

VIRAL A. MERCHANT
Partner
Membership No.116279

Place : Mumbai,
Dated : 1st August, 2013

Independent Auditors' Report to the Members of BALKRISHNA INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **BALKRISHNA INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

VIRAL A. MERCHANT
Partner
Membership No. 116279

Mumbai,
Dated : 30th May, 2013

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date

- i)
 - a) 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) The fixed assets disposed off during the year, in our opinion, do not constitute substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- ii)
 - a) As explained to us, the inventories were physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and the 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)
 - a) As per the information and explanations given to us, the Company has granted unsecured loan to four parties, covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year was Rs.8,73,67,690 and the year-end balance of the loans granted was Rs. 5,32,92,690.
 - b) According to the information and explanations given to us, the rate of interest and other terms and conditions of the loans, including that of not charging the interest to one of the subsidiaries for part of the year, in our opinion and having regard to the holding and subsidiary company relationship, are not, prima facie, prejudicial to the interest of the Company.
 - c) In our opinion and as per the information and explanations given to us, the Company was regular in receipt of the principal amounts whenever demanded. However, no such demand has been made during the year. The receipt of interest is regular wherever applicable.
 - d) As per the information and explanations given to us, the outstanding amount of the loan given was not overdue.
 - e) The Company has not taken any loan, secured or unsecured, from any party covered in the register maintained under Section 301 of the Act.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for sale of goods. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v)
 - a) Based on the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
 - b) In our opinion and as per the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits in terms of the provisions of Section 58A, 58AA and any other relevant provisions of the Act and the rules framed there under.
- vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Act 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 determine whether they are accurate or complete.
- ix)
 - a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues, to the extent applicable, during the year with the appropriate authorities. However, as at 31st March, 2013 there were no undisputed dues outstanding for a period of more than six months from the date they became payable. During the year, the Company was not required to deposit any dues in respect of Wealth Tax.

- b) According to the information and explanations given to us, the dues in respect of Income Tax, Sales Tax, 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 (Including Interest and Penalty)	1,00,25,596	2004-2005	Commissioner (Appeals)
		22,45,010	2007-2008	Assessing Authority
Sales Tax Act	Sales Tax (Including Interest and Penalty)	2,58,000	2004-2005	High Court
		2,50,27,686	1999-2002	Tribunal
		1,85,23,573	1996-1999, 2002-2006	Commissioner (Appeals)
		11,33,34,025	2008-2009	Assessing Authority
Central Excise Act	Excise Duty and Service Tax (Including Interest and Penalty)	1,96,97,355	2002-2006	High Court
		1,19,98,196	2004-2010	Tribunal
		26,21,878	1999-2001, 2005-2007, 2010-2013	Commissioner (Appeals)
		3,05,83,276	1994-2004	Assessing Authority

As per the information given to us, there are no dues of Custom Duty or Cess which have not been deposited on account of any dispute. The Company is not liable to pay Wealth Tax.

- x) The Company does not have any accumulated losses at the end of the current financial year and has not incurred cash losses during current financial year and in the immediately preceding financial year.
- xi) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks.
- xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the Company is not a chit fund/nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Order are not applicable to the Company.
- xv) In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantee given by the Company for a loan taken by another company covered in the register maintained under Section 301 of the Act, from a bank during the year is not prejudicial to the interest of the Company.
- xvi) As per the information and explanations given to us, in our opinion, the term loan has been applied for the purpose for which it was obtained.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, no funds raised on short-term basis have been used for long-term investment.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- xix) The Company has not issued any debentures during the year.
- xx) During the year the Company has not raised funds by public issue. Therefore, the provisions of clause 4 (xx) of the Order are not applicable to the Company.
- xxi) 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 on or by the Company has been noticed or reported during the year.

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

VIRAL A.MERCHANT
Partner
Membership No. 116279

Mumbai,
Dated : 30th May, 2013

BALANCE SHEET AS AT 31ST MARCH, 2013

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	1399,63,68,522		1060,76,14,672
			1418,96,85,712	1080,09,31,862
2 NON-CURRENT LIABILITIES				
(a) Long-Term Borrowings	4	1504,28,77,954		913,72,62,751
(b) Deferred Tax Liabilities (Net)	5	99,85,66,580		62,58,89,440
(c) Other Long Term Liabilities	6	94,09,27,181		34,05,33,034
(d) Long-Term Provisions	7	(17,10,580)		(61,71,693)
			1698,06,61,135	1009,75,13,532
3 CURRENT LIABILITIES				
(a) Short Term Borrowings	8	559,26,38,742		749,22,26,095
(b) Trade Payables	9	241,00,32,585		200,41,41,979
(c) Other Current Liabilities	10	49,74,28,804		56,06,28,195
(d) Short-Term Provisions	11	21,67,78,139		19,96,72,614
			871,68,78,270	1025,66,68,883
TOTAL			3988,72,25,117	3115,51,14,277
II. ASSETS				
1 NON-CURRENT ASSETS				
(a) Fixed Assets				
(i) Tangible Assets	12	1276,55,14,159		826,72,46,328
(ii) Intangible Assets	13	1,15,37,097		1,43,00,939
(iii) Capital Work-in-Progress		945,51,13,694		449,86,99,006
			2223,21,64,950	1278,02,46,273
(b) Non-Current Investments	14		32,91,33,835	32,23,51,235
(c) Long-Term Loans and Advances	15		279,15,78,785	266,87,01,053
(d) Other Non-Current Assets	16		85,542	49,36,001
2 CURRENT ASSETS				
(a) Inventories	17	432,55,34,735		481,07,27,388
(b) Trade Receivables	18	504,49,14,743		479,61,07,487
(c) Cash and Cash Equivalents	19	266,30,62,722		357,39,67,717
(d) Short-Term Loans and Advances	20	243,77,90,620		194,99,43,402
(e) Other Current Assets	21	6,29,59,185		24,81,33,721
			1453,42,62,005	1537,88,79,715
TOTAL			3988,72,25,117	3115,51,14,277

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

1 to 53

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: 30th May 2013

For and on behalf of the Board of Directors

ARVIND PODDAR Chairman & Managing Director
RAJIV PODDAR Executive Director
VIPUL SHAH Director & Company Secretary

Mumbai,

Dated: 30th May 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS		Note No.	Current Year Rupees	Previous Year Rupees
I	Revenue From Operations	22	3190,57,04,306	2819,96,04,424
II	Other Income	23	4,21,25,208	3,29,70,172
III	Total Revenue (I+II)		3194,78,29,514	2823,25,74,596
IV	Expenses :			
	Cost of Materials Consumed	24	1817,90,90,375	1741,25,95,111
	Purchases of Stock-in-Trade	25	9,49,48,355	17,80,43,547
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	(36,43,96,642)	(47,96,30,443)
	Employee Benefits Expense	27	107,48,28,490	72,33,28,295
	Finance Cost	28	25,68,09,734	27,75,14,806
	Depreciation and Amortization Expense	29	107,71,36,497	83,14,11,701
	Other Expenses	30	627,73,97,317	530,71,57,160
	Total Expenses		2659,58,14,126	2425,04,20,177
V	Profit Before Tax (III-IV)		535,20,15,388	398,21,54,419
VI	Tax Expense:			
	Current tax		142,10,00,000	124,10,00,000
	Deferred tax		37,26,77,140	5,59,54,802
VII	Profit After Tax (V-VI)		355,83,38,248	268,51,99,617
VIII	Earnings per equity share:			
	Basic and Diluted	40	36.81	27.43

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

1 to 53

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: 30th May 2013

For and on behalf of the Board of Directors

ARVIND PODDAR Chairman & Managing Director
RAJIV PODDAR Executive Director
VIPUL SHAH Director & Company Secretary

Mumbai,

Dated: 30th May 2013

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 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) Depreciation on fixed assets (other than leasehold land) has been provided in accordance with Schedule XIV to the Companies Act, 1956, on Straight Line Method. In respect of fixed assets whose actual cost does not exceed Five thousand rupees, depreciation is provided at the rate of 100 percent, irrespective of the date of addition during the year.
- 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.

Sales

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 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 Duty Entitlement Pass Book Scheme and Focus Market Scheme under EXIM policy/ Foreign Trade Policy are accounted for in the year of export. Profit/Loss on sale of DEPB/Import licenses is accounted in the year of such 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 :		
25,00,00,000 Equity Shares of Rs.2 each	50,00,00,000	50,00,00,000
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
GPP ENTERPRISES LLP	2,16,30,535	2,34,76,735
% Holding	22.38	24.29
RAP ENTERPRISES LLP	2,32,67,995	2,32,67,995
% Holding	24.07	24.07
COPA CABANA	NIL	92,73,750
% Holding	NIL	9.59
NOTE NO.3	Current Year Rupees	Previous Year Rupees
RESERVES AND SURPLUS		
(a) Capital Reserves	1,51,06,067	1,51,06,067
(b) Securities Premium Account	71,53,42,628	71,53,42,628
(c) Other Reserve (General Reserve)		
Opening Balance	900,00,00,000	350,09,42,141
Add: Transferred from Profit and Loss account	350,00,00,000	549,90,57,859
Closing Balance	1250,00,00,000	900,00,00,000
(d) Surplus		
Opening Balance	87,71,65,977	389,30,50,580
Add: Net Profit for the current year	355,83,38,248	268,51,99,617
Less: Proposed Dividend	14,49,87,893	14,49,87,893
Less: Tax on Dividend	2,45,96,505	2,35,20,661
Less: Transfer to General Reserve	350,00,00,000	549,90,57,859
Less: Income Tax of Earlier Year	NIL	3,35,17,807
Closing Balance	76,59,19,827	87,71,65,977
	1399,63,68,522	1060,76,14,672
NOTE NO.4	Current Year Rupees	Previous Year Rupees
LONG TERM BORROWINGS		
Secured (Refer Note No.51)		
Term loans		
- from banks	1501,14,46,800	910,58,57,000
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)	3,14,31,154	3,14,05,751
	1504,28,77,954	913,72,62,751
NOTE NO.5	Current Year Rupees	Previous Year Rupees
DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability on account of :		
Depreciation	102,99,01,564	64,65,97,325
Deferred Tax Assets on account of :		
Expenses allowable for tax purpose when paid	3,13,34,984	2,07,07,885
Net Deferred Tax Liability	99,85,66,580	62,58,89,440

NOTE NO.6	Current Year Rupees	Previous Year Rupees
OTHER LONG TERM LIABILITIES		
Trade payable(Refer Note No. 43 for details of Dues to Micro and Small Enterprises)	1,53,82,444	2,35,69,361
Others - Payable towards Capital Goods,Security Deposit etc.	92,55,44,737	31,69,63,673
	94,09,27,181	34,05,33,034
NOTE NO.7	Current Year Rupees	Previous Year Rupees
LONG TERM PROVISIONS		
Provision for employee benefits - Gratuity	(17,10,580)	(61,71,693)
NOTE NO.8	Current Year Rupees	Previous Year Rupees
SHORT TERM BORROWINGS		
Secured Loans From Banks (Refer Note No.51)		
- Loans repayable on demand (Cash Credit)	158,59,47,580	333,69,40,220
- Other Loans	62,33,49,151	61,49,97,495
Unsecured Loans from banks		
- Loans repayable on demand	338,33,42,010	354,02,88,380
	559,26,38,742	749,22,26,095
NOTE NO.9	Current Year Rupees	Previous Year Rupees
TRADE PAYABLES		
Trade Payables (including Acceptances) (Refer Note No. 43 for details of Dues to Micro and Small Enterprises)	241,00,32,585	200,41,41,979
NOTE NO.10	Current Year Rupees	Previous Year Rupees
OTHER CURRENT LIABILITIES		
Current maturities of long-term debt	10,87,78,600	10,23,13,000
Interest accrued but not due on borrowings	3,08,70,300	79,64,370
Income received in advance	14,32,39,261	15,37,37,527
Unpaid dividends	68,14,307	70,62,733
Other payables		
- Statutory dues towards TDS/VAT/CST/Service Tax etc.	6,87,92,788	23,44,64,565
- Security Deposits	7,40,000	6,86,000
- Others	13,81,93,548	5,44,00,000
	49,74,28,804	56,06,28,195
NOTE NO.11	Current Year Rupees	Previous Year Rupees
SHORT TERM PROVISIONS		
Provision for employee benefits		
- Leave encashment	4,71,93,741	3,11,64,060
Others		
- Proposed Dividend	14,49,87,893	14,49,87,893
- Tax on proposed Dividend	2,45,96,505	2,35,20,661
	21,67,78,139	19,96,72,614

NOTE NO.12

Fixed Assets	Gross Block (At Cost)			Depreciation (Including Amortization)			Net Block			
	Balance As at 01.04.2012	Additions During the year	Deductions During the year	Balance As at 31.03.2013	Total upto 31.03.2012	*For the Year	Deductions During the year	Total upto 31.03.2013	As At 31.03.2013	As At 31.03.2012
Tangible assets										
(a) Land										
- Freehold	36,50,75,066	NIL	NIL	36,50,75,066	NIL	NIL	NIL	NIL	36,50,75,066	36,50,75,066
- Leasehold	18,99,99,573	1,64,25,940	NIL	20,64,25,513	88,21,322	27,75,113	NIL	1,15,96,435	19,48,29,078	18,11,78,251
(b) Buildings	259,67,18,389	76,72,37,917	2,07,724	336,37,48,582	22,04,76,584	7,64,66,385	64,527	29,68,78,442	306,68,70,140	237,62,41,805
(c) Plant and Equipment	848,26,08,560	461,81,61,811	1,00,71,135	1,309,06,99,236	358,40,90,805	97,64,77,752	99,86,039	455,05,82,518	854,01,16,718	489,85,17,755
(d) Furniture and Fixtures	12,47,21,111	73,93,295	NIL	13,21,14,406	2,79,85,969	78,44,176	NIL	3,58,30,145	9,62,84,261	9,67,35,142
(e) Vehicles	5,88,94,890	2,24,48,876	2,26,78,520	5,86,65,246	1,48,10,888	44,17,987	77,91,677	1,14,37,198	4,72,28,048	4,40,84,002
(f) Office Equipment	3,24,09,689	55,93,564	1,30,400	3,78,72,853	59,85,584	16,01,043	58,610	75,28,017	3,03,44,836	2,64,24,105
(g) Others										
- Electric Installations	28,47,71,519	14,87,89,205	NIL	43,35,60,724	5,82,75,316	1,54,23,649	NIL	7,36,98,965	35,98,61,759	22,64,96,203
- Air Conditioners	2,76,45,687	33,87,446	37,333	3,09,95,800	34,78,202	13,59,985	6,572	48,31,615	2,61,64,185	2,41,67,485
- Computer	6,42,42,863	1,93,26,378	29,15,357	8,06,53,884	3,59,16,349	84,97,763	25,00,296	4,19,13,816	3,87,40,068	2,83,26,514
TOTAL TANGIBLE (CURRENT YEAR)	1222,70,87,347	560,87,64,432	3,60,40,469	1779,98,11,310	395,98,41,019	109,48,63,853	2,04,07,721	503,42,97,151	1276,55,14,159	-
TOTAL TANGIBLE (PREVIOUS YEAR)	1005,15,94,820	226,75,60,923	9,20,68,396	1222,70,87,347	319,52,56,745	83,59,78,042	7,13,93,768	395,98,41,019	-	826,72,46,328

NOTE NO.13

Intangible assets										
Computer software	3,95,57,279	28,07,500	NIL	4,23,64,779	2,52,56,340	55,71,342	NIL	3,08,27,682	1,15,37,097	1,43,00,939
TOTAL INTANGIBLE (CURRENT YEAR)	3,95,57,279	28,07,500	NIL	4,23,64,779	2,52,56,340	55,71,342	NIL	3,08,27,682	1,15,37,097	-
TOTAL INTANGIBLE (PREVIOUS YEAR)	3,79,03,315	16,53,964	NIL	3,95,57,279	1,98,09,414	54,46,926	NIL	2,52,56,340	-	1,43,00,939
Capital Work in Progress									945,51,13,694	449,86,99,006

* Including Depreciation capitalised **Rs.2,32,98,698** (Previous Year Rs. 1,00,13,267).

NOTE NO.14	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)			
30,00,000 Shares of Balkrishna Paper Mills Ltd.	3,00,00,000		3,00,00,000
10,00,000 Shares of Balkrishna Synthetics Ltd.	1,00,00,000		1,00,00,000
3,00,000 Shares of BKT Exim Ltd.	30,00,000		30,00,000
50,000 Shares BKT Tyres Ltd.	5,00,000		5,00,000
Unquoted (Others) 12,56,037 shares of V S Lignite Power Private Ltd. (Class 'A' Equity Shares) Purchase during the year 6,78,260 shares.	1,25,60,370		<u>57,77,770</u>
		5,60,60,370	<u>4,92,77,770</u>
(b) Investment in Preference Shares (Shares of Rs.10 each, fully paid up) Unquoted (In 100 % Subsidiaries Companies) 1% Optionally Convertible Redeemable Preference Shares of Rs.10 each, fully paid up (OCPS) 19,50,000 OCPS of Balkrishna Paper Mills Ltd.	19,50,00,000		19,50,00,000
6,50,000 OPCS of Balkrishna Synthetics Ltd.	6,50,00,000		6,50,00,000
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		<u>1,11,42,230</u>
		27,11,42,230	<u>27,11,42,230</u>
		32,72,02,600	<u>32,04,20,000</u>
Other than Trade Investments :			
Unquoted (Others)			
(a) Investments in Government Securities In 6 Year National Saving Certificates		16,000	16,000
Quoted			
(b) Investments in Equity Instruments (Shares of Rs.10 each, fully paid up) 4,98,759 Equity Shares of Govind Rubber Ltd.	1,87,50,059		1,87,50,059
Less : Provision for diminution in the value of Investments (Investment in Equity Shares)	1,68,34,824		<u>1,68,34,824</u>
		19,15,235	<u>19,15,235</u>
		19,31,235	<u>19,31,235</u>
		32,91,33,835	<u>32,23,51,235</u>
Aggregate amount of quoted investments net of provision - Market value of Rs.88,77,910 (Previous Year Rs. 65,48,706)		19,15,235	19,15,235
Aggregate amount of unquoted investments.		32,72,18,600	<u>32,04,36,000</u>

NOTE NO.15	Current Year Rupees	Previous Year Rupees
LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
(a) Capital Advances	235,47,42,500	224,91,30,927
(b) Security Deposits	9,88,49,830	8,55,06,078
(c) Others loans and advances		
- Advance Payment to Suppliers	2,51,15,016	1,05,23,083
- Excise/Sales Tax/Service Tax/Custom Duty etc. Receivables	1,44,85,693	1,37,65,130
- Advance Payments of Taxes and Tax deducted at source(Net of Provisions)	29,83,85,746	30,97,75,835
	279,15,78,785	<u>266,87,01,053</u>

NOTE NO.16	Current Year Rupees	Previous Year Rupees
OTHER NON - CURRENT ASSETS:		
Trade Receivables (Unsecured)	85,542	49,36,001

NOTE NO.17	Current Year Rupees	Previous Year Rupees
INVENTORIES :		
(As Certified by the Management)		
(At lower of Cost and Net Realisable Value)		
(a) Raw materials	248,99,00,478	340,74,75,867
(b) Work-in-Progress	86,28,71,850	74,24,91,301
(c) Finished Goods	49,80,18,589	24,65,26,917
(d) Stock-in-Trade	1,40,89,585	2,15,65,164
(e) Stores and Spares	43,75,57,647	36,72,37,340
(f) Others -Fuel	2,30,96,586	2,54,30,799
	432,55,34,735	481,07,27,388

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	166,61,99,725	176,75,90,754
(b) Unsecured Considered good	332,98,01,643	302,61,08,114
	499,60,01,368	479,36,98,868
Trade Receivables outstanding for a period exceeding Six Months		
(a) Secured Considered good	NIL	38,645
(b) Unsecured Considered good	4,89,13,375	23,69,974
	4,89,13,375	24,08,619
	504,49,14,743	479,61,07,487

NOTE NO.19	Current Year Rupees	Previous Year Rupees
CASH AND CASH EQUIVALENTS:		
Balances with banks	6,91,29,461	55,37,76,337
Unpaid Dividend	68,14,307	70,62,733
Margin Money (Including Fixed Deposit) #	3,78,105	2,31,454
In Fixed Deposit #	258,00,66,248	300,71,09,799
(Including lodged with Government Authorities Rs.66,248 Prveious Year Rs.59,799)		
Cash on hand	66,74,601	57,87,394
	266,30,62,722	357,39,67,717
#(Including deposits of Rs.66,248 Previous year Rs.2,91,253 maturing after twelve months)		

NOTE NO.20	Current Year Rupees	Previous Year Rupees
SHORT TERM LOANS AND ADVANCES:		
Unsecured, considered good		
- Loans and advances to related parties - 100% Subsidiary Companies	5,32,92,690	5,73,67,690
Others		
- Advance payment to suppliers	58,31,81,554	97,17,09,996
- Excise/Sales Tax/Service Tax/Custom Duty etc. Receivables	178,42,04,595	91,24,11,808
- Loans and advances to employees	1,71,11,781	84,53,908
	243,77,90,620	194,99,43,402

NOTE NO.21	Current Year Rupees	Previous Year Rupees
OTHER CURRENT ASSETS		
Interest Accrued on Investment	6,577	4,989
Export Incentive Receivables	10,26,579	19,45,95,842
Interest Accrued on others	6,19,26,029	5,35,32,890
	6,29,59,185	24,81,33,721

NOTE NO.22	Current Year Rupees	Previous Year Rupees
REVENUE FROM OPERATIONS		
Sale of Products	3202,71,41,989	2819,42,70,759
Other Operating Revenue:		
- Export Incentives	8,40,91,846	17,80,00,000
- Scrap Sales	5,92,10,378	5,11,60,665
- Others	3,15,55,478	2,22,72,068
	17,48,57,702	25,14,32,733
Total Revenue from Operations (Gross)	3220,19,99,691	2844,57,03,492
Less: Excise Duty	29,62,95,385	24,60,99,068
Total Revenue from Operations (Net)	3190,57,04,306	2819,96,04,424

NOTE NO.23	Current Year Rupees	Previous Year Rupees
OTHER INCOME		
Interest Income on:		
- Long Term Investments (Other than trade)	1,588	1,535
- Interest received on Deposits/Loans and Advances	1,02,92,268	57,03,233
- Subsidy from Government	7,08,301	1,72,32,414
	1,10,02,157	2,29,37,182
Dividend Income on:		
- Long Term Investment in Subsidiaries (Trade)	2,60,000	NIL
- Current Investments	34,19,362	16,41,503
	36,79,362	16,41,503
Profit on sale of Fixed Assets	50,24,371	14,65,957
Other non-operating income	2,24,19,318	69,25,530
	4,21,25,208	3,29,70,172

NOTE NO.24	Current Year Rupees	Previous Year Rupees
COST OF MATERIAL CONSUMED		
Raw Material Consumed (Refer Note no. 33)	1817,90,90,375	1741,25,95,111

NOTE NO.25	Current Year Rupees	Previous Year Rupees
PURCHASE OF STOCK IN TRADE		
Purchase of Traded Goods	9,49,48,355	17,80,43,547

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	74,24,91,301	29,64,71,375
Stock in Trade	2,15,65,164	4,04,97,034
Finished Goods	24,65,26,917	19,39,84,530
	101,05,83,382	53,09,52,939
Less :		
Closing Stock :		
Work-in-Progress	86,28,71,850	74,24,91,301
Stock in Trade	1,40,89,585	2,15,65,164
Finished Goods	49,80,18,589	24,65,26,917
	137,49,80,024	101,05,83,382
Net Increase in Inventories	(36,43,96,642)	(47,96,30,443)
NOTE NO.27	Current Year Rupees	Previous Year Rupees
EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	98,31,06,155	66,40,34,421
Contribution to provident and other funds	7,27,26,359	4,55,52,068
Staff welfare expenses	1,89,95,976	1,37,41,806
	107,48,28,490	72,33,28,295
NOTE NO.28	Current Year Rupees	Previous Year Rupees
FINANCE COST		
Interest expenses	18,09,60,163	16,41,00,932
Other borrowing costs	1,87,45,379	1,79,83,848
Applicable net loss/(gain) on foreign currency transactions and translation	5,71,04,192	9,54,30,026
	25,68,09,734	27,75,14,806
NOTE NO.29	Current Year Rupees	Previous Year Rupees
DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and amortisation	107,71,36,497	83,14,11,701
NOTE NO.30	Current Year Rupees	Previous Year Rupees
OTHER EXPENSES:		
Consumption of stores and spare parts	122,75,33,045	98,83,07,057
Packing material consumed	85,40,084	61,72,246
Power and fuel(Net)	115,32,29,743	96,40,04,363
Freight and forwarding (Net)	143,15,81,539	119,01,19,722
Excise duty on variation of Finished Goods	43,41,630	18,58,849
Labour/Job Charges	60,33,03,761	54,47,33,791
Water charges	2,48,50,636	34,52,577
Repairs and Maintenance to buildings	10,37,55,851	12,59,79,977
Repairs and Maintenance to Machinery	12,80,51,796	10,78,99,262
Repairs and Maintenance to Others	3,93,37,416	7,12,74,155
Insurance Charges	9,72,81,002	3,50,39,483
Rates and Taxes excluding taxes on income	99,04,478	1,15,98,501
Rent	2,96,27,891	1,02,27,156
Legal and Professional charges	10,55,82,336	9,81,76,933
Advertisement, Publicity and Sales Promotion	50,09,38,599	47,79,91,742

	Current Year Rupees	Previous Year Rupees
Commission	1,89,13,306	1,31,21,063
Discount	1,51,73,542	60,02,321
Travelling Expenses	8,42,96,865	5,78,65,614
Directors Meeting Fees	5,45,000	6,10,000
Fixed Assets Discarded	70,419	1,17,60,439
Interest to Others	13,69,266	7,71,192
Net Loss on foreign currency transaction and translation	13,49,44,332	17,96,81,243
Marketing service expenses	40,23,96,101	28,02,00,159
Miscellaneous expenses	15,18,28,679	12,03,09,315
	627,73,97,317	530,71,57,160

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 and service tax	22,63,07,241	14,04,01,849
- Disputed income tax demands	4,68,97,728	7,90,00,211
(b) Guarantees given by the Company's bankers on behalf of the Company against the Company's Indemnity	12,44,17,577	12,03,47,980
(c) Corporate Guarantee given by the Company:		
- To the President of India through commissioner of Custom	2000,00,00,000	1581,25,00,000
- To the Subsidiary Company	NIL	77,66,504
- To other Company	7,27,68,750	1,85,31,186
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	385,10,22,142	739,22,50,639

NOTE NO.32	Current Year Rupees	Previous Year Rupees
Value of Imports on CIF Basis :		
(a) Raw materials	1410,08,99,034	1444,99,75,048
(b) Stores and Spare parts	11,42,11,057	16,90,31,981
(c) Capital goods	300,38,19,516	122,38,13,844
(d) Traded goods	NIL	48,29,788
(e) Others	85,94,473	21,59,735
	1722,75,24,080	1584,98,10,396

NOTE NO.33	Quantity in Metric Tonnes	Value in Rupees
Consumption of Raw Materials:		
(As Certified by the Management)		
(a) Natural Rubber	44,210 (42,608)	756,89,08,315 (794,55,36,691)
(b) Synthetic Rubber	23,815 (22,938)	384,10,39,896 (377,21,10,947)
(c) Tyre Cord/Fabrics	9,240 (8,653)	202,13,15,258 (150,36,47,329)
(d) Carbon Black	38,087 (36,710)	249,98,39,608 (219,96,01,521)
(e) Colours, Chemicals and Other Materials	-	224,79,87,298 (199,16,98,623)
		1817,90,90,375 (1741,25,95,111)

NOTE NO.34
Value of Raw Materials and Stores and Spare Parts consumed:

(As Certified by the Management)

	Raw Materials		Stores and Spare Parts	
	Rupees	%	Rupees	%
(a) Imported	1497,13,90,084 (1407,81,66,504)	82.36 (80.85)	14,24,15,945 (13,69,12,811)	11.60 (13.85)
(b) Indigenous	320,77,00,291 (333,44,28,607)	17.64 (19.15)	108,51,17,100 (85,13,94,246)	88.40 (86.15)
	1817,90,90,375 (1741,25,95,111)	100.00 (100.00)	122,75,33,045 (98,83,07,057)	100.00 (100.00)

NOTE NO.35
Expenditure in Foreign currency *

	Current Year Rupees	Previous Year Rupees
(a) Professional and consultation fees	4,90,75,622	7,19,77,977
(b) Interest (Net)	59,55,75,888	48,63,24,374
(c) Other matters (Travelling, Subscription, commission, Sales Promotion etc.)	79,66,51,556	78,34,29,451
	144,13,03,066	134,17,31,802

 * Including net amount capitalised **Rs.41,22,87,624** (Previous year Rs.34,52,29,926)

NOTE NO.36
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 :

	2011-12 (Final)	2010-11 (Final)
(a) Years to which dividends relate	257	228
(b) Number of non-resident Shareholders	1,00,02,474	1,64,17,855
(c) Number of Shares held by them	1,50,03,711	2,29,84,997

NOTE NO.37
Earning in Foreign exchange

	Current Year Rupees	Previous Year Rupees
(a) Export of goods on FOB Basis	2832,08,54,787	2497,33,90,122
(b) Recovery towards Freight and Insurance on Export	89,35,12,852	72,30,80,158
(c) Recovery towards Expenditure	79,12,654	6,69,604
	2922,22,80,293	2569,71,39,884

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.
LIC Nomura MF Liquid Fund - Dividend Plan	8,87,26,534	108,31,82,757	8,87,26,534	108,31,82,757
LIC Nomura Mf Liquid Fund - Direct Dividend Plan	64,68,765	17,03,20,539	64,68,765	17,03,20,539
ICICI Prudential Flexible Income Plan Premium - Daily Dividend	13,24,886	14,00,86,795	13,24,886	14,00,86,795
ICICI Prudential Liquid Super Inst.Plan - Daily Dividend	2,64,08,073	264,14,04,137	2,64,08,073	264,14,04,137
ICICI Prudential Liquid Regular Plan - Daily Dividend	17,74,904	17,75,30,558	17,74,904	17,75,30,558
ICICI Prudential Liquid Direct Plan - Daily Dividend	46,69,196	46,70,25,126	46,69,196	46,70,25,126
Birla Sunlife Cash Plus - Regular Plant - Daily Dividend	21,49,808	21,54,00,008	21,49,808	21,54,00,008
Grand Total	13,15,22,166	489,49,49,920	13,15,22,166	489,49,49,920

NOTE NO. 39**SEGMENT INFORMATION**

(a) Primary Business Segments:-

The Company has only one business segment, namely Tyres 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		262,61,57,780 (250,31,34,144)
Outside India		
- Europe	1466,64,11,719 (1303,39,21,952)	
- North America	612,11,10,191 (560,75,83,342)	
- Others	849,20,24,616 (705,49,64,986)	
		2927,95,46,526 (2569,64,70,280)
Total		3190,57,04,306 (2819,96,04,424)
Segment Assets		
In India		3327,98,49,117 (2234,67,85,651)
Outside India		
- Europe	332,73,87,962 (291,15,99,004)	
- Others	295,08,54,203 (557,43,78,387)	
		627,82,42,165 (848,59,77,391)
Total		3955,80,91,282 (3083,27,63,042)
Total Cost incurred during the year to acquire Segment Fixed Assets		
In India		1056,79,86,620 (632,74,78,482)
Outside India		NIL (NIL)
Total		1056,79,86,620 (632,74,78,482)
Segment Assets excludes -Investments		32,91,33,835 (32,23,51,235)

NOTE NO.40**Earning Per Share (EPS)**

(In accordance with Accounting Standard - 20)

	Current Year Rupees	Previous Year Rupees
Profit After Tax	355,83,38,248	268,51,99,617
Less: Income Tax of Earlier Year	NIL	3,35,17,807
Profit after Taxation of earlier years	355,83,38,248	265,16,81,810
Number of Equity Shares outstanding for Basic/Diluted Earning Per Share	9,66,58,595	9,66,58,595
Nominal Value of Equity Shares (in Rupees)	2	2
Earning Per Share Basic/Diluted	36.81	27.43

NOTE NO.41
I) Related Party Disclosures *

(Where transactions have taken place)

(a) Key Management Personnel (KMP)

Mr. Arvind Poddar - Managing Director, Mrs. Vijaylaxmi Poddar - Executive Director (w.e.f 30.05.2012), Mr. Rajiv Poddar - Executive Director, Mr. Anurag Poddar - Executive Director (upto 29.05.2012), Mr. Basantkumar Bansal - Director Finance. (upto 11.02.2012), Mr. Vipul Shah - Director and Company Secretary (w.e.f. 11.02.2012)

(b) Relatives of Key Management Personnel :

Mrs. Khushboo Poddar, Mrs. Pooja Dhoot, Mrs. Shyamalata Poddar (w.e.f. 01.06.2012)

(c) Other Related Parties -(Enterprises-KMP having significant influence/owned by major shareholders) Siyaram Silk Mills Ltd., Govind Rubber Ltd., SPG Infrastructure Ltd., GRL International Ltd.(upto 02.12.2011), Balgopal Holding & Traders Ltd., and Clothing Culture Ltd.
Related Party Transactions

Transactions	KMP	Relatives of (KMP)	Other Related Parties	Total
Purchase of Goods/Materials/Services	NIL (NIL)	NIL (NIL)	49,61,460 (49,19,608)	49,61,460 (49,19,608)
Sales of Goods/Materials	NIL (NIL)	NIL (NIL)	4,59,19,286 (15,65,253)	4,59,19,286 (15,65,253)
Expenses reimbursed	NIL (NIL)	NIL (NIL)	13,838 (NIL)	13,838 (NIL)
Rent Paid	NIL (NIL)	25,86,246 (NIL)	NIL (NIL)	25,86,246 (NIL)
Rent received	NIL (NIL)	NIL (NIL)	2,69,664 (15,88,320)	2,69,664 (15,88,320)
Recovery of expenses	NIL (NIL)	NIL (NIL)	11,86,863 (5,70,411)	11,86,863 (570,411)
Sale of Fixed Assets	NIL (NIL)	NIL (NIL)	61,96,613 (NIL)	61,96,613 (NIL)
Purchases of Fixed Assets	NIL (15,90,75,000)	NIL (NIL)	5,17,399 (2,31,50,155)	5,17,399 (18,22,25,155)
Assignment of Insurance Policy	93,43,554 (NIL)	52,47,080 (NIL)	NIL (NIL)	1,45,90,634 (NIL)
Surrender of Insurance Policy	32,33,379 (NIL)	NIL (NIL)	NIL (NIL)	32,33,379 (NIL)
Loan Given (ICD)	NIL (NIL)	NIL (NIL)	3,00,00,000 (NIL)	3,00,00,000 (NIL)
Loan Refund Received (ICD)	NIL (NIL)	NIL (NIL)	3,00,00,000 (NIL)	3,00,00,000 (NIL)
Interest received on Loan (ICD)	NIL (NIL)	NIL (NIL)	2,77,808 (NIL)	2,77,808 (NIL)
Remuneration	23,07,07,224 (8,26,56,078)	47,00,054 (5,52,460)	NIL (NIL)	23,54,07,278 (8,32,08,538)
Payables	13,82,84,384 (5,44,75,751)	15,400 (8,400)	NIL (2,23,130)	13,82,99,784 (5,47,07,281)
Receivables	NIL (NIL)	NIL (NIL)	NIL (13,410)	NIL (13,410)

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

- Purchase of Goods/Materials/Services includes : Balgopal Holding & Traders Ltd. Rs. 28,02,800 (Previous Year Rs.NIL), Clothing Culture Ltd. Rs.13,86,885 (Previous Year Rs.NIL), Siyaram Silk Mills Limited Rs.7,71,775 (Previous Year Rs.21,61,286), Govind Rubber Limited Rs.NIL (Previous Year Rs.27,58,322).
- Sale of Goods/Materials/Services includes : Clothing Culture Ltd. Rs.4,59,19,286, (Previous Year Rs.NIL), Siyaram Silk Mills Limited Rs.NIL (Previous Year Rs.23,999), Govind Rubber Limited Rs.NIL (Previous Year Rs.15,41,254).

- 3 Expenses reimbursed includes : Siyaram Silk Mills Limited Rs.13,838 (Previous Year Rs.NIL).
- 4 Rent Paid includes : Mrs. Pooja Dhoot Rs. 25,86,246 (Previous Year Rs.NIL).
- 5 Rent Received includes : Clothing Culture Limited Rs.2,69,664 (Previous Year Rs.NIL), Grl International Limited Rs.NIL (Previous Year Rs.15,88,320).
- 6 Recovery of Expenses includes : Clothing Culture Limited Rs. 8,47,556 (Previous Year Rs.NIL), Govind Rubber Limited Rs.1,608 (Previous Year Rs.4,73,498),Siyaram Silk Mills Limited Rs.3,37,699 (Previous Year Rs. 96,913).
- 7 Sale of Fixed Assets includes : Siyaram Silk Mills Limited Rs.61,96,613 (Previous Year Rs.NIL).
- 8 Purchase of Fixed Assets includes under Other Related Parties : Siyaram Silk Mills Limited Rs.5,17,399 (Previous Year Rs.NIL),Spg Infrastructure Limited Rs.NIL (Previous Year Rs.2,31,50,155) and purchase of Fixed Assets includes under KMP: Mr. Arvind Poddar Rs.NIL (Previous Year Rs.5,65,25,000), Mr. Rajiv Poddar Rs.NIL (Previous Year Rs.10,25,50,000).
- 9 Assignment of Insurance Policy includes- under KMP : Mrs. Vijaylaxmi Poddar Rs. 93,43,554 (Previous Year Rs. NIL), under Relative of KMP Mrs. Shyamalata Poddar Rs.52,47,080 (Previous Year Rs. NIL)
- 10 Surrender of Insurance Policy includes : Mr. Anurag Poddar of Rs. 32,33,379 (Previous Year Rs. NIL).
- 11 Loan Given (ICD) includes : Balgopal Holding & Traders Limited Rs.1,50,00,000 (Previous Year Rs.NIL), Clothing Culture Limited Rs.1,50,00,000 (Previous Year Rs.NIL).
- 12 Loan Refund Received (ICD) includes : Balgopal Holding & Traders Limited Rs.1,50,00,000 (Previous Year Rs.NIL), Clothing Culture Limited Rs.1,50,00,000 (Previous Year Rs.NIL).
- 13 Interest Received on Loan Given (ICD) includes : Balgopal Holding & Traders Limited Rs.39,452 (Previous Year Rs.NIL), Clothing Culture Limited Rs.2,38,356 (Previous Year Rs.NIL).
- 14 Remuneration to Key Managerial Personnel includes : Mr. Arvind Poddar Rs.11,34,27,542 (Previous Year Rs. 5,18,02,178), Mr. Rajiv Poddar Rs.6,34,45,602 (Previous Year Rs. 1,19,15,753), Mrs. Vijaylaxmi Poddar Rs.4,98,16,119 (Previous Year Rs.NIL), Mr. Anurag Poddar Rs.19,16,210 (Previous Year Rs.1,19,22,852), Mr. Vipul Shah Rs.21,01,751 (Previous Year Rs.3,55,331), Mr. Basantkumar Bansal Rs. NIL (Previous Year Rs.66,59,964) and Remuneration to Relatives of Key Managerial Personnel includes : Mrs. Khushboo Poddar Rs.30,00,036 (Previous Year Rs.5,52,460), Mrs. Shyamalata Poddar Rs. 17,00,018 (Previous Year Rs.NIL).
- 15 Payables to Key Management Personnel includes : Mr. Arvind Poddar Rs.7,20,00,000 (Previous Year Rs. 4,00,00,000), Mr. Rajiv Poddar Rs.3,60,00,000 (Previous Year Rs. 72,00,000), Mrs. Vijaylaxmi Poddar Rs.3,01,93,548 (Previous Year Rs.NIL), Mr. Anurag Poddar Rs.NIL (Previous Year Rs.72,00,000), Mr. Vipul Shah Rs.90,836 (Previous Year Rs.23,101), Mr. Basantkumar Bansal Rs. NIL (Previous Year Rs.52,650) , Payables to Relatives of Key Managerial Personnel includes : Mrs. Khushboo Poddar Rs.8,400 (Previous Year Rs.8,400), Mrs. Shyamalata Poddar Rs. 7,000 (Previous Year Rs.NIL) and Payables to Other Related Parties includes : Siyaram Silk Mills Limited Rs. NIL (Previous Year Rs. 2,23,130).
- 16 Receivables From Other Related Parties includes : Govind Rubber Limited Rs. NIL (Previous Year Rs. 13,410).

Transactions with subsidiary

Transactions	Balkrishna Paper Mills Ltd	Balkrishna Synthetics Ltd	BKT (EUROPE) LTD.	BKT EUROPE S.R.L.	BKT (USA) INC
Marketing Service Expenses	NIL (NIL)	NIL (NIL)	1,16,517 (1,19,018)	27,63,09,294 (16,49,95,892)	12,33,97,216 (10,82,13,411)
Sale of Fixed Assets	44,92,015 (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Loan given (ICD)	3,00,00,000 (4,50,00,000)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Loan refund received (ICD)	3,40,75,000 (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Interest received on Loan given (ICD)	49,34,631 (13,56,164)	12,36,769 (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Dividend Received from Subsidiary	1,95,000 (NIL)	65,000 (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Sale of goods/Material Services	NIL (80,558)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Rent Received	29,12,831 (52,56,380)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Sale of DEPB Licences	NIL (29,68,722)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)

Transactions	Balkrishna Paper Mills Ltd	Balkrishna Synthetics Ltd	BKT (EUROPE) LTD.	BKT EUROPE S.R.L.	BKT (USA) INC
Recovery of expenses	7,74,005 (15,89,894)	3,500 (2,000)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Receivables	4,09,25,000 (4,50,00,000)	1,23,67,690 (1,23,67,690)	NIL (NIL)	22,78,349 (69,39,214)	NIL (NIL)
Payables	NIL (NIL)	NIL (NIL)	1,16,517 (1,19,018)	NIL (NIL)	44,78,415 (45,03,765)
Guarantee given to commissioner of customs on behalf of the subsidiary	NIL (77,66,504)	NIL (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.

II) Disclosures required by clause 32 of the listing agreement

Name of the Company	Outstanding at the year end Rupees	Maximum Amount outstanding during the year Rupees
Amount of Loans/Advances in nature of loans outstanding from Subsidiary:		
- Balkrishna Synthetics Limited (No repayment schedule and part of the year interest free)	1,23,67,690 (1,23,67,690)	1,23,67,690 (1,23,67,690)
- Balkrishna Paper Mills Limited (No repayment schedule and interest bearing)	4,09,25,000 (4,50,00,000)	4,50,00,000 (4,50,00,000)
Amount of Loans/Advances in nature of loans outstanding from other than Subsidiary:		
- Balgopal Holding & Traders Limited (No repayment schedule and interest bearing)	NIL (NIL)	1,50,00,000 (NIL)
- Clothing Culture Limited (No repayment schedule and interest bearing)	NIL (NIL)	1,50,00,000 (NIL)

NOTE NO.42

Leases - Operating leases :

	Current Year Rupees	Previous Year Rupees
i) The company has taken commercial premises under cancellable and non-cancellable operating leases. Further the company has also taken motor cars under cancellable operating lease.		
ii) Future minimum Lease Payments under non - cancellable operating leases :		
not later than one year	4,23,750	NIL
later than one year and not later than five years	NIL	NIL
later than five years	NIL	NIL
iii) The rental expenses recognised in Profit and Loss account for operating leases :		
(a) Minimum Rent	1,57,23,475	99,06,096
(b) Contingent Rent	NIL	NIL
iv) 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	20,01,65,371	14,68,10,639
Accumulated Depreciation	2,25,90,359	1,16,90,483
Depreciation recognised in the Profit and Loss Account	40,73,113	29,36,218

NOTE NO.43

- (a) As at 31st March, 2013, 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

PARTICULARS	Current Year ended	Previous Year ended
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.	334	293
Foreign Currency Value covered :		
US Dollars	17,39,12,113	20,06,78,305
Euro	18,29,63,481	9,35,01,956
Total No. of contracts outstanding for amount receivable on account of Fixed deposit with Bank.	NIL	6
Foreign Currency Value covered :		
US Dollars	NIL	45,00,000
(b) Unhedged foreign currency exposure is as follows:		
Amounts Payable :		
Loans US Dollars:		
Other Loans :		
US Dollars	28,63,21,798	20,81,21,604
Interest US Dollars	5,67,580	1,55,686
Payables for goods and services:		
US Dollars	28,28,950	15,14,033
Euro	4,92,581	23,63,963
GBP	1,575	1,455
THB	2,29,214	NIL
CAD	36,190	NIL
JPY	71,985	NIL
SGD	19,800	NIL
Amounts Receivable:		
Export of Goods US Dollar	NIL	NIL
Advances :		
US Dollar	1,55,31,669	1,90,31,379
Euro	23,85,188	50,88,154
GBP	15,326	74,704
THB	NIL	5,87,178
Balance with Scheduled Banks		
On Current Accounts:		
US Dollar	269	13,96,749
Euro	NIL	28,66,312

NOTE NO.45
Disclosures in accordance with revised 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	93,26,570	74,42,302
	Interest Cost	50,29,343	39,30,576
	Expected Return on Plan Assets	(55,53,937)	(34,53,887)
	Actuarial-Loss (Net)	1,10,05,153	1,53,922
	Total Expenses recognised in the statement of Profit & Loss Account in Note No. '27'	1,98,07,129	80,72,913
ii)	Actual Contribution and Benefit Payments for the year end		
	Actual Benefit Payments	23,14,590	9,06,423
	Actual Contributions	1,53,46,016	2,00,22,656
iii)	Net Liability recognised in balance sheet at the year end		
	Present Value of Defined Benefit Obligation	8,29,42,912	5,91,68,738
	Fair value of plan assets	(8,46,53,492)	(6,53,40,431)
	Net Liability recognised in balance sheet	(17,10,580)	(61,71,693)
iv)	Reconciliation of Opening and Closing Balances of Defined Benefit Obligations (DBO)		
	Present Value of DBO at the beginning of the year	5,91,68,738	4,76,43,348
	Current Service cost	93,26,570	74,42,302
	Interest cost	50,29,343	39,30,576
	Past Service Cost (Vested Benefit)	NIL	NIL
	Actuarial Loss on DBO	1,17,32,851	10,58,935
	Benefits paid	(23,14,590)	(9,06,423)
	Present Value of DBO at the end of the year	8,29,42,912	5,91,68,738
v)	Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets		
	Plan assets at the beginning of the year	6,53,40,431	4,18,65,298
	Expected return on plan assets	55,53,937	34,53,887
	Actual Company contributions	1,53,46,016	2,00,22,656
	Actuarial Gain on Plan Assets	7,27,698	9,05,013
	Benefits paid	(23,14,590)	(9,06,423)
	Plan assets at the end of the year	8,46,53,492	6,53,40,431
vi)	Actuarial Assumptions		
	Discount Rate	8.25%	8.50%
	Expected Return on plan Assets	8.25%	8.50%
	Salary escalation	4.50%	4.50%

(a) Defined Contribution Plans-

The Company's contribution to defined contribution plans aggregating to **Rs.5,28,68,129** (Previous Year Rs.3,74,79,154) 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.

	Current Year Rupees	Previous Year Rupees
Amount of Proposed dividend to Equity shareholders	14,49,87,893	14,49,87,893
Amount per share of Rs. 2 each, fully paid up	1.50	1.50

NOTE NO.47		Current Year Rupees	Previous Year Rupees
Payment to Auditors			
(a)	Statutory Auditors		
	Audit Fees	20,00,000	18,00,000
	For Tax Audit	4,00,000	3,50,000
	For taxation matters	5,45,000	2,45,000
	For Company Law matters	2,00,000	1,50,000
	For other services - Certification etc.,	11,47,500	12,17,500
	For reimbursement of expenses		
	- Service Tax	5,36,412	4,29,286
	- Expenses	47,400	43,900
(b)	Cost Auditors		
	Audit Fees	2,00,000	3,00,000*
	For reimbursement of expenses		
	- Service Tax	24,720	24,720
* Including Rs. 1,00,000 for earlier year.			

NOTE NO.48		Current Year Rupees	Previous Year Rupees
(a)	Amount of Borrowing Cost capitalised (Net)	59,98,84,915	84,44,90,898
(b)	Research and Development Cost/Expenditure		
	- Revenue	7,57,79,229	6,37,53,933
	- Capital	9,37,18,529	3,18,21,140
	Total of Research and Development Cost/Expenditure	16,94,97,758	9,55,75,073
(c)	Contribution to Provident and Other Funds (Note No. 27) includes contribution for the year to Gratuity Fund covered under the master policies of Life Insurance Corporation of India.	1,53,46,016	2,00,22,656

NOTE NO.49

(a) Information in respect of Goods Manufactured
(As Certified by the Management)

Product	Unit of Measurement	Installed Capacity Quantity	Opening Stock		Actual Production	Closing Stock	
			Quantity	Value in Rupees	Quantity	Quantity	Value in Rupees
Tyres	Numbers	53.14 lacs (42.63 lacs)	35,706 (37,613)	22,38,17,897 (19,28,12,292)	28,88,355 (27,81,991)	79,665 (35,706)	47,34,33,175 (22,38,17,897)
Tube	Numbers	12.44 lacs (12.44 lacs)	27,634 (NIL)	2,15,26,019 (NIL)	2,28,743 (37,183)	49,147 (27,634)	2,27,10,952 (2,15,26,019)
Tyre Flaps	Numbers	3.79 lacs (3.79 lacs)	9,515 (9,505)	11,83,001 (11,72,238)	79,571 (46,824)	21,265 (9,515)	18,74,462 (11,83,001)
Wind Power Generation (Captively consumed)	KWH/Units	5 MW (5 MW)	NIL (NIL)	NIL (NIL)	60,27,311 (61,97,218)	NIL (NIL)	NIL (NIL)
				24,65,26,917 (19,39,84,530)			49,80,18,589 (24,65,26,917)

- i) The difference in quantities is on account of captive consumption, free samples and wastage/damages.
ii) Installed capacity for tyres is based on the product mix and on the average weight of tyres manufactured.

(b) Information in respect of Goods Traded in

(As Certified by the Management)

Product	Unit of Measurement	Opening Stock		Purchases		Closing Stock	
		Quantity	Value in Rupees	Quantity	Value in Rupees	Quantity	Value in Rupees
Tyres	Numbers	1,100 (534)	76,84,754 (34,97,462)	3,292 (6,482)	3,14,31,920 (4,47,53,868)	429 (1,100)	37,41,873 (76,84,754)
Tubes	Numbers	29,248 (53,040)	1,19,56,497 (3,32,86,780)	22,500 (1,83,995)	3,06,80,748 (11,31,43,512)	5,819 (29,248)	41,54,949 (1,19,56,497)
Tyre Flaps	Numbers	12,480 (18,392)	19,23,913 (37,12,792)	1,48,636 (1,28,857)	3,28,35,686 (2,01,46,167)	25,181 (12,480)	61,92,763 (19,23,913)
			2,15,65,164 (4,04,97,034)		9,49,48,354 (17,80,43,547)		1,40,89,585 (2,15,65,164)

c) Sale of Products:

	Unit of Measurement	Quantity	Value
Tyres	Numbers	28,48,290	3171,34,38,083
		(27,89,729)	(2792,30,90,603)
Tubes	Numbers	2,52,277	26,51,02,818
		(2,16,731)	(23,10,85,585)
Tyre Flaps	Numbers	2,03,588	4,86,01,088
		(1,81,459)	(4,00,94,571)
			3202,71,41,989
			(2819,42,70,759)

NOTE NO.50

Other Operating Revenue includes **Rs.22,09,548** (Previous Year Rs. 22,09,548) in respect of refund of Regulatory Liability Charges paid in earlier years to Maharashtra State Electricity Board.

NOTE NO.51

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.	220,92,96,732
Term Loan from Banks: Secured by first charge by way of hypothecation on all the present and future movable fixed assets of the Company on pari - passu basis. (Repayment in 14 Quarterly Equal Installments beginning from financial Year 2011-12 , Rate of Interest 3 Month LIBOR + 300 bppa)	16,31,67,900
Term Loan from Banks: 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 2015-16, Rate of Interest 3 Month LIBOR + 265 bppa)	951,81,27,500
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 & 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 3 Month LIBOR + 320 bppa)	543,89,30,000

NOTE NO.52

Miscellaneous Expenses includes **Rs.11,00,000** (Previous Year NIL) paid to a Political Party, Bhartiya Janta Party - Gujarat Pradesh.

NOTE NO.53

- Figures in brackets in notes 33,34,39,41 and 49 pertain to previous year.
- 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: 30th May 2013

For and on behalf of the Board of Directors

ARVIND PODDAR Chairman & Managing Director

RAJIV PODDAR Executive Director

VIPUL SHAH Director & Company Secretary

Mumbai,

Dated: 30th May 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	Year Ended 31st March, 2013		Year Ended 31st March, 2012	
	Rupees		Rupees	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Profit before Tax		535,20,15,388		398,21,54,419
Adjustment for :				
Depreciation and Amortisation	107,71,36,497		83,14,11,701	
Income from Investments	(36,80,950)		(16,43,038)	
Finance Cost	25,68,09,734		27,75,14,806	
Interest Income	(1,10,00,569)		(2,29,35,647)	
(Profit)/Loss on Sale of Fixed Assets	(50,24,371)		(14,65,957)	
Fixed Assets Discarded/Written Off	70,419		1,17,60,439	
Unrealised Foreign Exchange differences	(8,92,09,273)		(1,06,48,693)	
Retiring Gratuities	1,98,07,129		80,72,914	
Leave Encashment	2,31,30,827		1,24,86,982	
		126,80,39,442		110,45,53,507
Operating profit before working capital changes		662,00,54,830		508,67,07,926
Adjustment for:				
Trade and other receivables	(48,58,12,667)		(243,55,62,291)	
Inventories	48,51,92,651		(70,69,65,116)	
Trade payables	31,37,88,073		32,17,35,771	
		31,31,68,057		(282,07,91,636)
Cash generated from operations		693,32,22,887		226,59,16,290
Direct taxes paid		(140,96,09,912)		(150,50,33,517)
Gratuity paid		(1,53,46,016)		(2,00,22,657)
Leave Encashment paid		(71,01,146)		(48,02,960)
Net cash from Operating Activities		550,11,65,813		736,057,156
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets & Capital Work in Progress	(962,60,12,985)		(676,11,46,219)	
Sale of Fixed Assets	2,05,86,700		1,03,80,146	
Purchase of Investments	(490,17,32,520)		(212,16,41,503)	
Sale of Investments	489,49,49,920		212,16,41,503	
Inter Corporate Loan Given	(6,00,00,000)		(4,50,00,000)	
Inter Corporate Loan Refund Received	6,40,75,000		NIL	
Interest received	1,10,00,569		2,29,64,576	
Income Received on Investments	36,79,362		19,01,503	
Net cash used in Investing Activities		(959,34,53,953)		(677,08,99,994)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
(Repayment)/Proceeds of Short Term Borrowings (Net)	127,81,34,630		(486,60,01,148)	
Proceeds from Long Term Borrowings	1997,11,35,458		2369,85,65,576	
Repayment of Long Term Borrowings	(1763,88,25,627)		(897,69,69,878)	
Dividend paid (including tax thereon)	(16,87,56,980)		(15,73,87,368)	
Finance Cost paid	(26,05,00,215)		(20,11,58,653)	
Net Cash from Financing Activities		318,11,87,266		949,70,48,529
Net Increase in cash and cash equivalent		(91,11,00,875)		346,22,05,691
Exchange difference on cash and cash equivalent - Gain		1,95,880		18,96,023
Cash and cash equivalent as at the beginning of the year		357,39,67,717		10,98,66,003
Cash and cash equivalent as at the end of the year		266,30,62,722		357,39,67,717

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: 30th May 2013

For and on behalf of the Board of Directors

ARVIND PODDAR

Chairman & Managing Director

RAJIV PODDAR

Executive Director

VIPUL SHAH

Director & Company Secretary

Mumbai,

Dated: 30th May 2013

Statement Pursuant to Section 212 of the Companies Act, 1956, Details of Subsidiary Companies

Sr. No.	Name Of The Subsidiary Company	Balkrishna Paper Mills Ltd.	Balkrishna Synthetics Ltd.	BKT EXIM Ltd.	BKT Tyres Ltd.	BKT (EUROPE) LTD.	BKT EUROPE S.R.L.	BKT (USA) INC
	Particulars	Amount (Rs. In Crores)						
1	Financial year of the Subsidiary ended on	31 st March, 2013						
2	Capital	4.95	1.65	0.30	0.05	0.04	0.06	0.01
3	Reserves	33.39	11.75	(0.05)	0.01	0.14	0.64	1.55
4	Total Assets	151.16	40.02	0.26	0.07	0.19	5.20	1.99
5	Total Liabilities	112.83	26.62	0.01	0.001	0.01	4.50	0.43
6	Details of Investment	0.00	0.56	0.16	0.00	0.00	0.00	0.00
7	Turnover	152.95	51.53	0.06	0.03	0.01	27.63	12.34
8	Profit Before Taxation	(6.05)	2.95	0.05	0.02	0.002	1.02	0.62
9	Provision of Tax	1.28	2.06	0.02	0.01	0.00	0.97	0.18
10	Profit/(Loss) After Taxation	(7.33)	0.89	0.03	0.01	0.002	0.05	0.44
11	Proposed Dividend (On Preference Shares + Dividend Tax)	0.02	0.01	0.00	0.00	0.00	0.00	0.00
12	Reporting Currency	INR	INR	INR	INR	GBP	EURO	USD

Exchange Rate

1 Euro = Rs.69.5438

1 US \$ = Rs.54.3893

1 GBP = Rs.82.3209

For and on behalf of the Board of Directors

ARVIND PODDAR Chairman & Managing Director

RAJIV PODDAR Executive Director

VIPUL SHAH Director & Company Secretary

Mumbai,

Dated: 30th May 2013

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of

BALKRISHNA INDUSTRIES LIMITED

We have audited the accompanying consolidated financial statements of **Balkrishna Industries Limited** ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, 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 control relevant to the Company's preparation and presentation 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 accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

- (i) We did not audit the financial statements of the subsidiary, BKT (EUROPE) LTD. (incorporated in UK), whose financial statements reflect total assets of Rs.17,87,306 (net) as at 31st March, 2013, total revenue of Rs.1,28,138 and net cash inflows amounting to Rs.26,328 for the year ended on that date. These financial statements have been audited by other auditors, Chartered Certified Accountants of United Kingdom, whose report has been furnished to us and our opinion is based solely on the report of the other auditors.
- (ii) We did not audit the financial statements of the subsidiary, BKT EUROPE S.R.L. (incorporated in Italy), whose financial statements reflect the total assets of Rs.69,62,685 (net) as at 31st March 2013, total revenue of Rs.27,63,15,777 and net cash outflows amounting to Rs.3,50,520 for the year ended on that date. These financial statements have been certified by a Certified Public Accountant of Italy, whose report has been furnished to us and our opinion is based solely on the report of the said accountant.
- (iii) We did not audit the financial statements of the subsidiary, BKT (USA) INC (incorporated in USA), whose financial statements reflect the total assets of Rs.1,55,82,890 (net) as at 31st March 2013, total revenue of Rs. 12,33,97,216 and net cash inflows amounting to Rs.1,02,73,714 for the year ended on that date. These financial statements have been reviewed by a Certified Public Accountants of USA, whose review report has been furnished to us and our opinion is based solely on the report of the said accountant.

Our opinion is not qualified in respect of other matters.

FOR JAYANTILAL THAKKAR & CO.

Chartered Accountants
(Firm Reg. No. 104133W)

VIRAL A.MERCHANT
Partner
Membership No. 116279

Mumbai,
Dated : 30th May, 2013

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

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	1423,67,29,307	1090,75,26,101
			1443,00,46,497	1110,08,43,291
2 NON-CURRENT LIABILITIES				
(a)	Long-Term Borrowings	4	1566,64,67,477	939,82,82,645
(b)	Deferred Tax Liabilities (Net)	5	106,68,67,250	66,67,06,604
(c)	Other Long Term Liabilities	6	96,93,63,158	34,68,67,309
(d)	Long-Term Provisions	7	46,19,856	(7,70,105)
			1770,73,17,741	1041,10,86,453
3 CURRENT LIABILITIES				
(a)	Short Term Borrowings	8	579,95,19,047	756,44,97,697
(b)	Trade Payables	9	271,37,87,213	219,69,99,780
(c)	Other Current Liabilities	10	63,22,80,697	63,59,46,986
(d)	Short-Term Provisions	11	22,43,43,065	20,60,40,002
			936,99,30,022	1060,34,84,465
TOTAL			4150,72,94,260	3211,54,14,209
II. ASSETS				
1 NON-CURRENT ASSETS				
(a)	Fixed Assets			
(i)	Tangible Assets	12	1333,79,76,043	871,17,28,012
(ii)	Intangible Assets	13	1,47,73,770	1,82,05,908
(iii)	Capital Work-in-Progress		1012,55,28,259	476,73,93,504
			2347,82,78,072	1349,73,27,424
(b)	Non-Current Investments	14	3,11,99,535	2,44,16,935
(c)	Long-Term Loans and Advances	15	287,52,14,693	278,37,59,467
(d)	Other Non-Current Assets	16	30,10,247	93,49,191
2 GOODWILL ON CONSOLIDATION			5,99,090	5,99,090
3 CURRENT ASSETS				
(a)	Current Investments	17	20,00,775	1,19,762
(b)	Inventories	18	456,74,33,111	498,54,14,694
(c)	Trade Receivables	19	519,67,25,713	490,02,48,340
(d)	Cash and Cash Equivalents	20	277,96,89,624	369,84,05,229
(e)	Short-Term Loans and Advances	21	250,73,79,178	196,66,10,327
(f)	Other Current Assets	22	6,57,64,222	24,91,63,750
			1511,89,92,623	1579,99,62,102
TOTAL			4150,72,94,260	3211,54,14,209

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 1 to 46

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: 30th May 2013

For and on behalf of the Board of Directors
ARVIND PODDAR Chairman & Managing Director
RAJIV PODDAR Executive Director
VIPUL SHAH Director & Company Secretary

Mumbai,
 Dated: 30th May 2013

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS		Note No.	Current Year Rupees	Previous Year Rupees
I	Revenue From Operations	23	3393,93,10,473	3016,63,92,539
II	Other Income	24	4,50,63,650	4,03,93,432
III	Total Revenue (I+II)		3398,43,74,123	3020,67,85,971
IV	Expenses :			
	Cost of Materials Consumed	25	1921,10,96,623	1851,69,74,259
	Purchases of Stock-in-Trade	26	9,49,48,355	17,80,43,547
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	(35,92,20,861)	(52,05,01,104)
	Employee Benefits Expense	28	133,76,73,220	93,74,73,270
	Finance Cost	29	27,36,99,747	29,19,99,573
	Depreciation and Amortization Expense	30	112,20,00,858	86,38,62,563
	Other Expenses	31	696,62,00,570	593,47,66,470
	Total Expenses		2864,63,98,512	2620,26,18,578
V	Profit Before Tax (III-IV)		533,79,75,611	400,41,67,393
VI	Tax Expense:			
	Current tax		143,88,17,886	125,02,98,417
	Deferred tax		40,01,35,751	6,44,78,036
VII	Profit After Tax (V-VI)		349,90,21,974	268,93,90,940
VIII	Earnings per equity share:			
	Basic and Diluted	35	36.20	27.48

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 1 to 46

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: 30th May 2013

For and on behalf of the Board of Directors
ARVIND PODDAR Chairman & Managing Director
RAJIV PODDAR Executive Director
VIPUL SHAH Director & Company Secretary

Mumbai,
Dated: 30th May 2013

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO.1

SIGNIFICANT ACCOUNTING 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 common rates.

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,	Balkrishna Paper Mills Limited	India	100%
2.	Balkrishna Synthetics Limited	India	100%
3.	BKT Exim Limited	India	100%
4.	BKT Tyres Limited	India	100%
Indirect Subsidiaries			
5.	BKT (EUROPE) LTD.	U.K.	100%
6.	BKT EUROPE S.R.L.	Italy	100%
7.	BKT (USA) INC	USA	100%

Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires 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

- 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.
- 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 :
 - i) Depreciation on Fixed Assets (Other than leasehold land) has been provided for in accordance with schedule XIV to the Companies Act, 1956 on Straight Line Method. In respect of fixed assets whose actual cost does not exceed five thousand rupees, depreciation at the rate of 100 percent, irrespective of the date of addition during the year.
 - ii) Premium on Leasehold Land is amortised over the duration of the Lease.
- b) 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 by the Company and one of the Subsidiaries – Balkrishna Synthetics Limited. In case of other Subsidiary Companies, wherever applicable, the cost is computed on First in First Out 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.

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 Duty Entitlement Pass Book Scheme and Focus Market Scheme under EXIM policy/ Foreign Trade Policy are accounted for in the year of export. Profit/Loss on sale of DEPB/Import licenses is accounted for in the year of such sale. Export Incentive under Duty Drawback Scheme under EXIM Policy is accounted for in the year of Export.

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.

- 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 :		
25,00,00,000 Equity Shares of Rs.2 each	50,00,00,000	50,00,00,000
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
GPP ENTERPRISES LLP	2,16,30,535	2,34,76,735
% Holding	22.38	24.29
RAP ENTERPRISES LLP	2,32,67,995	2,32,67,995
% Holding	24.07	24.07
COPA CABANA	NIL	92,73,750
% Holding	NIL	9.59

NOTE NO.3	Current Year Rupees	Previous Year Rupees
RESERVES AND SURPLUS		
(a) Capital Reserves		
Opening Balance	1,54,57,052	1,51,06,067
Add: Addition during the year	NIL	3,50,985
Closing Balance	1,54,57,052	1,54,57,052
(b) Securities Premium Account	71,53,42,628	71,53,42,628
(c) Other Reserve (General Reserve)		
Opening Balance	900,00,00,000	350,09,42,141
Add: Transferred from Profit and Loss account	350,00,00,000	549,90,57,859
Closing Balance	1250,00,00,000	900,00,00,000
(d) Surplus		
Opening Balance	117,67,26,424	418,88,03,229
Add: Net Profit for the current year	349,90,21,974	268,93,90,940
Less: Proposed Dividend	14,49,87,893	14,52,47,893
Less: Tax on Dividend	2,46,40,692	2,35,62,840
Less: Transfer to Capital Reserve	NIL	3,50,985
Less: Transfer to General Reserve	350,00,00,000	549,90,57,859
Less: Income Tax of Earlier Year	1,90,186	3,32,48,171
Closing Balance	100,59,29,626	117,67,26,421
	1423,67,29,307	1090,75,26,101

NOTE NO.4	Current Year Rupees	Previous Year Rupees
LONG TERM BORROWINGS		
Secured (Refer Note No. 45)		
Term loans		
- from banks	1561,20,75,102	934,39,19,903
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)	3,14,31,154	3,14,05,751
- Distributors/Dealers Deposit	2,29,61,221	2,29,56,991
	1566,64,67,477	939,82,82,645

NOTE NO.5	Current Year Rupees	Previous Year Rupees
DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability on account of : Depreciation	110,07,96,663	68,93,19,663
Deferred Tax Assets on account of : Expenses allowable for tax purpose when paid	3,39,29,413	2,26,13,059
Net Deferred Tax Liability	106,68,67,250	66,67,06,604
NOTE NO.6	Current Year Rupees	Previous Year Rupees
OTHER LONG TERM LIABILITIES		
Trade payable(Refer Note No. 38 for details of Dues to Micro and Small Enterprises)	1,54,22,710	2,45,78,749
Others - Payable towards Capital Goods,Security Deposit etc. Security Deposit	95,35,48,998 3,91,450	32,19,36,210 3,52,350
	96,93,63,158	34,68,67,309
NOTE NO.7	Current Year Rupees	Previous Year Rupees
LONG TERM PROVISIONS		
Provision for employee benefits - Gratuity	46,19,856	(7,70,105)
NOTE NO.8	Current Year Rupees	Previous Year Rupees
SHORT TERM BORROWINGS		
Secured Loans from banks (Refer Note No.45) - Loans repayable on demand (Cash Credit) - Other Loans	161,80,81,647 64,76,95,390	338,53,60,166 62,33,49,151
Unsecured Loans from banks - Loans repayable on demand	338,33,42,010	354,02,88,380
Loans and advances from related parties.	15,04,00,000	1,55,00,000
	579,95,19,047	756,44,97,697
NOTE NO.9	Current Year Rupees	Previous Year Rupees
TRADE PAYABLES		
Trade Payables (including Acceptances) (Refer Note No. 38 for details of Dues to Micro and Small Enterprises)	271,37,87,213	219,69,99,780
NOTE NO.10	Current Year Rupees	Previous Year Rupees
OTHER CURRENT LIABILITIES		
Current maturities of long-term debt	17,37,64,497	12,94,32,323
Interest accrued but not due on borrowings	3,24,29,138	84,04,905
Income received in advance	14,75,36,130	15,76,20,856
Unpaid dividends	68,14,307	70,62,733
Other payables - Statutory dues towards TDS/VAT/CST/Service Tax etc. - Security Deposits - Others	12,26,92,216 17,96,749 14,72,47,660	27,55,81,657 20,46,098 5,57,98,414
	63,22,80,697	63,59,46,986
NOTE NO.11	Current Year Rupees	Previous Year Rupees
SHORT TERM PROVISIONS		
Provision for employee benefits - Leave encashment	5,44,54,480	3,72,29,269
Others - Proposed Dividend - Tax on proposed Dividend	14,52,47,894 2,46,40,692	14,52,47,893 2,35,62,840
	22,43,43,065	20,60,40,002

NOTE NO.12

Fixed Assets	Gross Block (At Cost)			Depreciation (Including Amortization)			Net Block			
	Balance As at 01.04.2012	Additions During the year	Deductions During the year	Balance As at 31.03.2013	Total upto 31.03.2012	For the Year	Deductions During the year	Total upto 31.03.2012	As At 31.03.2013	As At 31.03.2012
Tangible assets										
(a) Land										
- Freehold	36,86,18,200	NIL	NIL	36,86,18,200	NIL	NIL	NIL	NIL	36,86,18,200	36,86,18,200
- Leasehold	21,65,31,669	1,64,25,940	NIL	23,29,57,609	94,24,067	32,23,941	NIL	1,26,48,008	22,03,09,601	20,71,07,602
(b) Buildings	266,51,73,893	78,09,92,604	2,07,724	344,59,58,773	22,61,35,531	7,84,02,020	64,527	30,44,73,024	314,14,85,749	243,90,38,362
(c) Plant and Equipment	850,94,60,055	455,74,39,811	1,12,68,392	1,305,56,31,474	360,92,11,348	99,17,48,625	1,07,03,184	459,02,56,789	846,53,74,685	490,02,48,707
(d) Factory Equipment	40,43,87,098	20,73,02,201	2,37,528	61,14,51,771	7,98,68,647	2,31,77,258	66,673	10,29,79,232	50,84,72,539	32,45,18,451
(d) Furniture and Fixtures	13,19,42,110	85,11,991	9,667	14,04,44,434	3,01,21,135	85,64,444	9,667	3,86,75,912	10,17,68,522	10,18,20,975
(e) Vehicles	6,02,61,891	2,69,40,891	2,26,78,520	6,45,24,262	1,49,93,982	49,74,594	77,91,677	1,21,76,899	5,23,47,363	4,52,67,909
(f) Office Equipment	3,68,96,928	64,84,327	4,66,810	4,29,14,445	74,02,857	20,28,388	3,15,572	91,15,673	3,37,98,772	2,94,94,071
(g) Others										
- Electric Installations	30,10,33,027	15,35,01,328	30,095	45,45,04,260	6,17,46,987	1,62,24,787	14,138	7,79,57,636	37,65,46,624	23,92,86,040
- Air Conditioners	2,86,40,821	40,66,661	37,333	3,26,70,149	36,50,082	14,14,418	6,572	50,57,928	2,76,12,221	2,49,90,739
- Computer	6,89,35,012	2,00,37,426	30,12,184	8,59,60,254	3,75,98,056	93,01,442	25,81,011	4,43,18,487	4,16,41,767	3,13,36,956
TOTAL TANGIBLE (CURRENT YEAR)	1279,18,80,704	578,17,03,180	3,79,48,253	1853,56,35,631	408,01,52,692	113,90,59,917	2,15,53,021	519,76,59,588	1333,79,76,043	-
TOTAL TANGIBLE (PREVIOUS YEAR)	1051,36,11,633	237,93,76,566	10,11,07,495	1279,18,80,704	328,38,61,805	86,82,28,623	7,19,37,736	408,01,52,692	-	871,17,28,012

NOTE NO.13

Intangible assets										
Computer software	4,36,86,636	28,07,500	NIL	4,64,94,136	2,54,80,728	62,39,638	NIL	3,17,20,366	1,47,73,770	1,82,05,908
TOTAL INTANGIBLE (CURRENT YEAR)	4,36,86,636	28,07,500	NIL	4,64,94,136	2,54,80,728	62,39,638	NIL	3,17,20,366	1,47,73,770	-
TOTAL INTANGIBLE (PREVIOUS YEAR)	3,79,36,900	57,49,736	NIL	4,36,86,636	1,98,33,518	56,47,210	NIL	2,54,80,728	-	1,82,05,908
Capital Work in Progress									1012,55,28,259	476,73,93,504

* Including Depreciation capitalised **Rs.2,32,98,698** (Previous Year Rs. 1,00,13,267).

NOTE NO.14	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)			
55,657 shares of Tarapur Environment protection society	55,65,700		55,65,700
12,56,037 shares of V S Lignite Power Private Ltd. (Class 'A' Equity Shares) Purchase during the year 6,78,260 shares.	1,25,60,370		57,77,770
	1,81,26,070		1,13,43,470
(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	2,92,68,300	1,11,42,230
			2,24,85,700
Other than Trade Investments :			
Unquoted (Others)			
(a) Investments in Government Securities In 6 Year National Saving Certificates	16,000		16,000
Quoted			
(b) Investments in Equity Instruments (Shares of Rs.10 each, fully paid up)			
4,98,759 Equity Shares of Govind Rubber Ltd.	1,87,50,059		1,87,50,059
Less : Provision for diminution in the value of Investments (Investment in Equity Shares) Others	1,68,34,824		1,68,34,824
	19,15,235		19,15,235
		19,31,235	19,31,235
		3,11,99,535	2,44,16,935
Aggregate amount of quoted investments net of provision - Market value of Rs.88,79,910 (Previous Year Rs.65,48,706)		19,15,235	19,15,235
Aggregate amount of unquoted investments.		33,27,84,300	32,60,01,700
NOTE NO.15	Current Year Rupees	Previous Year Rupees	
LONG TERM LOANS AND ADVANCES			
(Unsecured, considered good)			
(a) Capital Advances	237,78,31,591		230,48,25,302
(b) Security Deposits	10,37,78,712		9,02,53,379
(c) Others loans and advances			
- Advance Payment to Suppliers	2,55,60,635		38,68,443
- Excise/Sales Tax/Service Tax/Custom Duty etc. Receivables	4,23,54,964		4,17,35,550
- Advance Payments of Taxes and Tax deducted at source(Net of Provisions)	32,56,88,791		34,30,76,793
	287,52,14,693		278,37,59,467
NOTE NO.16	Current Year Rupees	Previous Year Rupees	
OTHER NON - CURRENT ASSETS:			
Trade Receivables (Unsecured)	30,10,247		93,49,191

NOTE NO.17	Current Year Rupees	Previous Year Rupees
CURRENT INVESTMENTS :		
In Mutual Fund (Unquoted)	20,00,775	NIL
In Shares (Quoted)		
917 Equity Shares of Mandhana Industries of Rs.10 each (Market value of Rs. NIL Previous Year Rs.2,33,927)	NIL	1,19,762
	20,00,775	1,19,762

NOTE NO.18	Current Year Rupees	Previous Year Rupees
INVENTORIES :		
(As Certified by the Management)		
(At lower of Cost and Net Realisable Value)		
(a) Raw materials	257,20,45,653	345,74,24,971
(b) Work-in-Progress	87,18,83,508	74,98,42,696
(c) Finished Goods	54,90,86,981	30,44,31,353
(d) Stock-in-Trade	1,40,89,585	2,15,65,164
(e) Stores and Spares	52,10,81,495	41,70,70,901
(f) Others -Packing Material and Fuel	3,92,45,889	3,50,79,609
	456,74,33,111	498,54,14,694

NOTE NO.19	Current Year Rupees		Previous Year Rupees
TRADE RECEIVABLES			
Trade Receivables outstanding for a period less than Six Months			
(a) Secured Considered good	166,61,99,725		176,75,90,754
(b) Unsecured Considered good	346,26,47,046		312,89,67,757
		512,88,46,771	489,65,58,511
Trade Receivables outstanding for a period exceeding Six Months			
(a) Secured Considered good	NIL		38,645
(b) Unsecured Considered good	6,78,78,942		36,51,184
		6,78,78,942	36,89,829
		519,67,25,713	490,02,48,340

NOTE NO.20	Current Year Rupees	Previous Year Rupees
CASH AND CASH EQUIVALENTS:		
Balances with banks	9,28,84,166	57,03,11,271
Unpaid Dividend	68,14,307	70,62,733
Margin Money (Including Fixed Deposit) #	3,78,105	2,31,454
In Fixed Deposit #	267,17,99,383	311,45,31,316
(Including lodged with Government Authorities Rs.66,248 Prveious Year Rs.59,799)		
Cash on hand	78,13,663	62,68,455
#(Including deposits of Rs.2,91,253 Previous year Rs.2,74,317 maturing after twelve months)	277,96,89,624	369,84,05,229

NOTE NO.21	Current Year Rupees	Previous Year Rupees
SHORT TERM LOANS AND ADVANCES:		
Unsecured, considered good		
- Advance payment to suppliers	59,41,55,018	97,86,91,136
- Excise/Sales Tax/Service Tax/Custom Duty etc. Receivables	189,52,48,766	97,87,65,370
- Loans and advances to employees	1,79,75,394	91,53,821
	250,73,79,178	196,66,10,327

NOTE NO.22	Current Year Rupees	Previous Year Rupees
OTHER CURRENT ASSETS		
Interest Accrued on Investment	6,577	4,989
Export Incentive Receivables	17,35,677	19,48,11,449
Interest Accrued on Security Deposits	74,020	NIL
Interest Accrued on others	6,39,47,948	5,43,47,312
	6,57,64,222	24,91,63,750

NOTE NO.23	Current Year Rupees		Previous Year Rupees
REVENUE FROM OPERATIONS			
Sale of Products		3361,87,08,540	2982,94,08,889
Job Charges Received		50,66,80,701	39,41,45,628
Other Operating Revenue:			
- Export Incentives	8,62,10,885		17,97,58,298
- Scrap Sales	6,79,50,159		5,60,71,439
- Withdrawal of Provision for Doubtful Advances no longer required	NIL		1,31,080
- Others	4,69,10,094		3,36,75,152
		20,10,71,138	26,96,35,969
Total Revenue from Operations (Gross)		3432,64,60,379	3049,31,90,486
Less: Excise Duty		38,71,49,906	32,67,97,947
Total Revenue from Operations (Net)		3393,93,10,473	3016,63,92,539

NOTE NO.24	Current Year Rupees		Previous Year Rupees
OTHER INCOME			
Interest Income on:			
- Long Term Investments (Other than trade)	1,588		1,535
- Interest received on Deposits/Loans and Advances	1,54,00,327		88,15,588
- Subsidy from Government	7,08,301		1,72,32,414
		1,61,10,216	2,60,49,537
Dividend Income on:			
- Current Investments		34,20,279	34,36,659
- Profit on sale of Fixed Assets		56,01,254	29,27,384
- Net gain on sale of Current Investments		1,04,983	57,20,645
- Other non-operating income		1,98,26,918	22,59,207
		4,50,63,650	4,03,93,432

NOTE NO.25	Current Year Rupees	Previous Year Rupees
COST OF MATERIAL CONSUMED		
Raw Material Consumed	1921,10,96,623	1851,69,74,259

NOTE NO.26	Current Year Rupees	Previous Year Rupees
PURCHASE OF STOCK IN TRADE		
Purchase of Traded Goods	9,49,48,355	17,80,43,547

NOTE NO.27	Current Year Rupees	Previous Year Rupees
CHANGES IN INVENTORIES OF FINISHED GOODS,WORK IN PROGRESS AND STOCK IN TRADE		
Opening Stock :		
Work-in-Progress	74,98,42,696	30,40,30,834
Stock in Trade	2,15,65,164	4,04,97,034
Finished Goods	30,44,31,353	21,08,10,241
	107,58,39,213	55,53,38,109
Less :		
Closing Stock :		
Work-in-Progress	87,18,83,508	74,98,42,696
Stock in Trade	1,40,89,585	2,15,65,164
Finished Goods	54,90,86,981	30,44,31,353
	143,50,60,074	107,58,39,213
Net Increase in Inventories	(35,92,20,861)	(52,05,01,104)

NOTE NO.28	Current Year Rupees	Previous Year Rupees
EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	121,98,45,940	85,58,98,200
Contribution to provident and other funds	9,40,95,955	6,41,73,061
Staff welfare expenses	2,37,31,325	1,74,02,009
	133,76,73,220	93,74,73,270

NOTE NO.29	Current Year Rupees	Previous Year Rupees
FINANCE COST		
Interest expenses	19,77,10,177	17,71,83,078
Other borrowing costs	1,88,85,379	1,93,86,470
Applicable net loss/(gain) on foreign currency transactions and translation	5,71,04,191	9,54,30,025
	27,36,99,747	29,19,99,573

NOTE NO.30	Current Year Rupees	Previous Year Rupees
DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and amortisation	112,20,00,858	86,38,62,563

NOTE NO.31	Current Year Rupees	Previous Year Rupees
OTHER EXPENSES:		
Consumption of stores and spare parts	128,95,83,859	106,76,77,792
Packing material consumed	4,74,03,942	4,57,08,856
Power and fuel(Net)	163,43,74,311	139,81,20,322
Freight and forwarding (Net)	144,81,95,631	119,77,51,924
Excise duty on variation of Finished Goods	46,92,097	36,73,780
Labour/Job Charges	68,05,30,076	60,12,12,861
Water charges	4,11,83,863	1,63,58,302
Repairs and Maintenance to buildings	11,32,80,393	13,12,88,004
Repairs and Maintenance to Machinery	14,96,82,808	13,34,92,628
Repairs and Maintenance to Others	4,89,73,386	7,50,14,042

	Current Year Rupees	Previous Year Rupees
Insurance Charges	11,82,53,831	4,21,32,306
Rates and Taxes excluding taxes on income	1,29,57,092	1,48,69,823
Rent	3,90,85,869	1,74,35,405
Legal and Professional charges	12,64,72,836	11,68,20,568
Advertisement, Publicity and Sales Promotion	69,64,53,040	58,33,44,504
Commission	2,37,47,536	1,78,73,355
Discount	3,55,94,487	3,03,51,912
Travelling Expenses	10,69,74,655	8,72,89,812
Directors Meeting Fees	7,17,416	8,27,500
Fixed Assets Discarded	1,66,697	1,18,07,060
Interest to Others	14,51,760	7,74,451
Net Loss on foreign currency transaction and translation	14,46,48,813	17,98,28,396
Marketing service expenses	25,73,074	NIL
Miscellaneous expenses	19,92,03,098	16,11,12,867
	696,62,00,570	593,47,66,470

NOTE NO.32
Contingent Liabilities and commitments
(i) Contingent Liabilities
(a) Claims against the Company not acknowledge as debts

- Disputed claims for excise, sales tax and service tax
- Disputed income tax demands
- Others

35,68,73,710
4,89,53,858
7,62,72,415

26,80,34,360
8,53,18,504
6,72,96,196

(b) Guarantees given by the Company's bankers on behalf of the Company against the Company's Indemnity

14,83,65,233

14,16,90,480

(c) Corporate Guarantee given by the Company:

- To the President of India through commissioner of Custom
- To other Company

2000,00,00,000
7,27,68,750

1581,25,00,000
1,85,31,186

(ii) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for

386,56,36,976

756,63,69,552

NOTE NO.33
Details of Current Investment in units of Mutual funds purchased and sold during the year :

Name of Mutual Fund	Balance as at 01.04.12		Purchased During the Year		Sold / Redeemed During the Year		Balance as at 31.03.13	
	No. of Units	Cost Rs.	No. of Units	Cost Rs.	No. of Units	Cost Rs.	No. of Units	Cost Rs.
LIC Nomura Mf Liquid Fund - Dividend Plan	NIL	NIL	8,87,26,534	108,31,82,757	8,87,26,534	108,31,82,757	NIL	NIL
LIC Nomura Mf Liquid Fund - Direct Dividend Plan	NIL	NIL	64,68,765	17,03,20,539	64,68,765	17,03,20,539	NIL	NIL
ICICI Prudential Flexible Income Plan Premium - Daily Dividend	NIL	NIL	13,24,886	14,00,86,795	13,24,886	14,00,86,795	NIL	NIL
ICICI Prudential Liquid Super Inst.Plan - Daily Dividend	NIL	NIL	2,64,08,073	264,14,04,137	2,64,08,073	264,14,04,137	NIL	NIL
ICICI Prudential Liquid Regular Plan - Daily Dividend	NIL	NIL	17,74,904	17,75,30,558	17,74,904	17,75,30,558	NIL	NIL
ICICI Prudential Liquid Direct Plan - Daily Dividend	NIL	NIL	46,69,196	46,70,25,126	46,69,196	46,70,25,126	NIL	NIL
Birla Sunlife Cash Plus - Regular Plan - Daily Dividend-	NIL	NIL	21,49,808	21,54,00,008	21,49,808	21,54,00,008	NIL	NIL
LIC Nomura Mf Liquid Fund - Direct Growth Plan	NIL	NIL	54,944	11,50,000	54,944	11,50,000	NIL	NIL
LIC Nomura Mf Liquid Fund - Direct Growth Plan LF-G1	NIL	NIL	954	20,00,775	NIL	NIL	954	20,00,775
Grand Total	NIL	NIL	12,93,72,358	489,81,00,695	13,15,77,109	489,60,99,920	954	20,00,775

NOTE NO.34**SEGMENT INFORMATION**

a) Primary Business Segments:-

The Group has only one business segment, namely Tyres 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		457,94,93,386 (451,39,44,019)
Outside India		
Europe	1466,64,11,719 (1303,39,21,952)	
North America	612,11,10,191 (560,75,83,342)	
Others	857,22,95,177 (701,09,43,226)	
		2935,98,17,087 (2565,24,48,520)
		3393,93,10,473 (3016,63,92,539)
Total		
Segment Assets		
In India		3513,10,83,226 (1823,48,18,801)
Outside India		
Europe		337,56,85,429 (206,42,38,261)
Others		296,73,25,295 (131,26,68,273)
Total		4147,40,93,950 (2161,17,25,335)
Total Cost incurred during the year to acquire Segment Fixed Assets		
In India		1114,25,11,052 (658,73,78,785)
Outside India		1,34,384 (14,76,354)
Total		1114,26,45,436 (658,88,55,139)
Segment Assets excludes -Investments		3,32,00,310 (2,45,36,697)

NOTE NO.35**Earning Per Share (EPS)**

(In accordance with Accounting Standard - 20)

	Current Year Rupees	Previous Year Rupees
Profit After Tax	349,90,21,974	268,93,90,940
(Less)/Add: Income Tax of Earlier Year	(1,90,186)	(3,32,48,171)
Profit after Taxation of earlier years	349,88,31,788	265,61,42,769
Less : Proposed Preference Dividend	NIL	2,60,000
Less : Tax on Preference Dividend	44,187	42,179
Profit for the year available to Equity Shareholders	349,87,87,601	265,58,40,590
Number of Equity Shares outstanding for Basic/Diluted Earning Per Share	9,66,58,595	9,66,58,595
Nominal Value of Equity Shares (in Rupees)	2	2
Earning Per Share Basic/Diluted	36.20	27.48

NOTE NO.36
I) Related Party Disclosures*

(Where transactions have taken place)

(a) Key Management Personnel (KMP)

Mr. Arvind Poddar - Managing Director, Mrs. Vijaylaxmi Poddar - Executive Director (w.e.f 30.05.2012), Mr. Rajiv Poddar - Executive Director, Mr. Anurag Poddar - Executive Director, Mr. Basantkumar Bansal - Director Finance (upto 11.02.2012), Mr. Vipul Shah - Director and Company Secretary (w.e.f. 11.02.2012), Mr. Ankit Poddar - Executive Director (w.e.f. 09.05.2011), Mr. Kishanlal Jangir - Vice President & Director, Mr. Rajendra Jahnwar - Director (Works), Mr. Avnish Poddar - Executive Director (upto 14.02.2013)

(b) Relatives of Key Management Personnel :

Mrs. Khushboo Poddar, Mrs. Shyamalata Poddar (w.e.f 01.06.2012), Mrs. Pooja Dhoot

(c) Other Related Parties - (Enterprises-KMP having significant influence/owned by major shareholders) Siyaram Silk Mills Ltd., Govind Rubber Ltd., SPG Infrastructure Ltd., GRL International Ltd. (upto 02.12.2011), Balgopal Holding & Traders Ltd., Clothing Culture Ltd., S P Finance and Trading Ltd.
Related Party Transactions

Transactions	KMP	Relatives of (KMP)	Other Related Parties	Total
Purchase of Goods/Materials/Services	NIL (NIL)	NIL (NIL)	55,23,033 (52,98,816)	55,23,033 (52,98,816)
Sales of Goods/Materials/Services	NIL (NIL)	NIL (NIL)	55,25,99,987 (39,57,10,881)	55,25,99,987 (39,57,10,881)
Expenses reimbursed	NIL (NIL)	NIL (NIL)	13,838 (NIL)	13,838 (NIL)
Rent received	NIL (NIL)	NIL (NIL)	2,69,664 (15,88,320)	2,69,664 (15,88,320)
Recovery of expenses	NIL (NIL)	NIL (NIL)	11,86,863 (5,70,411)	11,86,863 (5,70,411)
Sale of Fixed Assets	NIL (NIL)	NIL (NIL)	61,96,613 (NIL)	61,96,613 (NIL)
Assignment of Insurance Policy	93,43,554 (NIL)	52,47,080 (NIL)	NIL (NIL)	1,45,90,634 (NIL)
Surrender of Insurance Policy	32,33,379 (NIL)	NIL (NIL)	NIL (NIL)	32,33,379 (NIL)
Rent/Lease Rent Paid	NIL (NIL)	25,86,246 (NIL)	3,07,565 (5,29,378)	28,93,811 (5,29,378)
Purchase of Fixed Assets	NIL (15,90,75,000)	NIL (NIL)	5,17,399 (2,31,50,155)	5,17,399 (18,22,25,155)
Interest Paid	NIL (NIL)	NIL (NIL)	2,05,29,425 (4,69,891)	2,05,29,425 (4,69,891)
Loan Received (ICD)	NIL (NIL)	NIL (NIL)	35,99,00,000 (1,55,00,000)	35,99,00,000 (1,55,00,000)
Loan Repayment (ICD)	NIL (NIL)	NIL (NIL)	22,50,00,000 (NIL)	22,50,00,000 (NIL)
Loan Given (ICD)	NIL (NIL)	NIL (NIL)	3,00,00,000 (NIL)	3,00,00,000 (NIL)
Loan Refund Received (ICD)	NIL (NIL)	NIL (NIL)	3,00,00,000 (NIL)	3,00,00,000 (NIL)
Interest received	NIL (NIL)	NIL (NIL)	2,77,808 (NIL)	2,77,808 (NIL)
Remuneration	24,36,44,727 (9,21,05,578)	47,00,054 (5,52,460)	NIL (NIL)	24,83,44,781 (9,26,58,038)
Receivables	NIL (NIL)	NIL (NIL)	4,44,48,536 (1,48,16,289)	4,44,48,536 (1,48,16,289)
Payables	13,84,79,464 (5,46,22,831)	15,400 (8,400)	15,07,20,883 (1,58,95,222)	28,92,15,747 (7,05,26,453)

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

- 1 Purchase of Goods/Materials/Services includes : Balgopal Holding & Traders Ltd. Rs. 28,02,800 (Previous Year Rs.NIL), Clothing Culture Ltd. Rs.13,86,885, (Previous Year Rs.NIL), Siyaram Silk Mills Limited Rs.13,33,348 (Previous Year Rs.25,40,494), Govind Rubber Limited Rs.NIL (Previous Year Rs.27,58,322).
- 2 Sale of Goods/Materials/Services includes : Clothing Culture Ltd. Rs.4,59,19,286 (Previous Year Rs.NIL), Siyaram Silk Mills Limited Rs.50,66,80,701 (Previous Year Rs.39,41,69,627), Govind Rubber Limited Rs.NIL (Previous Year Rs.15,41,254).
- 3 Reimbursement of Expenses includes : Siyaram Silk Mills Limited Rs.13,838 (Previous Year Rs.NIL).
- 4 Rent Received includes : Clothing Culture Limited Rs.2,69,664 (Previous Year Rs.NIL), Grl International Limited Rs.NIL (Previous Year Rs.15,88,320).
- 5 Recovery of Expenses includes : Clothing Culture Limited Rs. 8,47,556 (Previous Year Rs.NIL), Govind Rubber Limited Rs.1,608(Previous Year Rs.4,73,498), Siyaram Silk Mills Limited Rs.3,37,699 (Previous Year Rs. 96,913).
- 6 Sale of Fixed Assets includes : Siyaram Silk Mills Limited Rs.61,96,613 (Previous Year Rs.NIL).
- 7 Assignment of Insurance Policy includes : Under KMP Mrs. Vijaylaxmi Poddar of Rs.93,43,554 (Previous Year Rs. NIL), Under Relative of KMP Mrs. Shyamllata Poddar of Rs. 52,47,080 (Previous Year Rs. NIL).
- 8 Surrender of Insurance Policy includes : Mr. Anurag Poddar of Rs.32,33,379 (Previous Year Rs. NIL).
- 9 Rent Paid includes : Mrs. Pooja Dhoot Rs. 25,86,246 (Previous Year Rs.NIL), Vishal Furnishing Ltd Rs. NIL (Previous Year Rs. 25,750), Siyaram Silk Mills Ltd. Rs.3,07,565 (Previous Year Rs.5,03,628)
- 10 Purchase of Fixed Assets includes : Siyaram Silk Mills Limited Rs.5,17,399 (Previous Year Rs.NIL), Spg Infrastructure Limited Rs.NIL (Previous Year 2,31,50,155)., Mr. Arvind Poddar Rs.NIL (Previous Year Rs.5,65,25,000), Mr. Rajiv Poddar Rs.NIL (Previous Year Rs.10,25,50,000)
- 11 Interest Paid on Loan Received (ICD) includes : Siyaram Silk Mills Limited Rs. 1,52,47,721 (Previous Year Rs.4,69,891), S. P. Finance & Trading Ltd. Rs.52,81,704 (Previous Year Rs.NIL),
- 12 Loan Received (ICD) includes : Siyaram Silk Mills Limited Rs. 25,00,00,000 (Previous Year Rs.1,55,00,000), S. P. Finance & Trading Ltd. Rs.10,99,00,000 (Previous Year Rs.NIL),
- 13 Loan Repayment (ICD) includes : Siyaram Silk Mills Limited Rs. 21,50,00,000 (Previous Year Rs.NIL), S. P. Finance & Trading Ltd. Rs.1,00,00,000 (Previous Year Rs.NIL),
- 14 Loan Given (ICD) includes : Balgopal Holding & Traders Limited Rs.1,50,00,000 (Previous Year Rs.NIL), Clothing Culture Limited Rs.1,50,00,000 (Previous Year Rs.NIL).
- 15 Loan Refund Received (ICD)includes : Balgopal Holding & Traders Limited Rs.1,50,00,000 (Previous Year Rs.NIL), Clothing Culture Limited Rs.1,50,00,000 (Previous Year Rs.NIL).
- 16 Interest Received on Loan Given (ICD) includes : Balgopal Holding & Traders Limited Rs.39,452 (Previous Year Rs.NIL), Clothing Culture Limited Rs.2,38,356 (Previous Year Rs.NIL).
- 17 Remuneration to Key Management Personnel includes : Mr. Arvind Poddar Rs.11,34,27,542 (Previous Year Rs. 5,18,02,178), Mr. Rajiv Poddar Rs.6,34,45,602 (Previous Year Rs. 1,19,15,753), Mrs. Vijaylaxmi Poddar Rs.4,98,16,119 (Previous Year Rs.NIL), Mr. Anurag Poddar Rs.49,52,010 (Previous Year Rs.1,19,22,852), Mr. Vipul Shah Rs.21,01,751 (Previous Year Rs.3,55,331), Mr. Basantkumar Bansal Rs. NIL (Previous Year Rs.66,59,964)., Mr. Ankit Poddar Rs. 20,48,027 (Previous Year Rs. 19,31,402), Mr. Kishanlal Jangir Rs. 26,68,740 (Previous Year Rs. 26,43,721), Mr. Avnish Poddar Rs.28,28,580 (Previous Year Rs. 29,98,209), Mr. Rajendra Jhanwar Rs. 23,56,356 (Previous Year Rs. 18,76,168) and Remuneration to Relatives of Key Management Personnel includes : Mrs. Khushboo Poddar Rs.30,00,036 (Previous Year Rs.5,52,460), Mrs. Shyamllata Poddar Rs. 17,00,018 (Previous Year Rs.NIL).
- 18 Receivables From Other Related Parties includes : Govind Rubber Limited Rs. NIL (Previous Year Rs. 13,410)., Siyaram Silk Mills Ltd. Rs.4,44,48,536 (Previous Year Rs. 1,48,02,879).
- 19 Payables to Key Management Personnel includes : Mr. Arvind Poddar Rs.7,20,00,000 (Previous Year Rs. 4,00,00,000), Mr. Rajiv Poddar Rs.3,60,00,000 (Previous Year Rs. 72,00,000), Mrs. Vijaylaxmi Poddar Rs.3,01,93,548 (Previous Year Rs.NIL), Mr. Anurag Poddar Rs.NIL (Previous Year Rs.72,00,000), Mr. Vipul Shah Rs.90,836 (Previous Year Rs.23,101), Mr. Basantkumar Bansal Rs. NIL (Previous Year Rs.52,650)., Mr. Kishanlal Jangir Rs. 1,85,580 (Previous Year Rs. 1,07,580), Mr. Rajendra Jhanwar Rs. 9,500 (Previous Year Rs. 39,500), Payables to Relatives of Key Management Personnel includes : Mrs. Khushboo Poddar Rs.8,400 (Previous Year Rs.8,400), Mrs. Shyamllata Poddar Rs. 7,000 (Previous Year Rs.NIL) and Payables to Other Related Parties includes : Siyaram Silk Mills Limited Rs. 5,08,20,883 (Previous Year Rs. 1,58,95,222)., S. P. Finance & Trading Ltd. Rs.9,99,00,000 (Previous Year Rs.NIL).

NOTE NO.37	Current Year Rupees	Previous Year Rupees
Leases - Operating leases :		
i) The company has taken commercial premises under cancellable and non-cancellable operating leases. Further the company has also taken motor cars under cancellable operating lease.		
ii) Future minimum Lease Payments under non - cancellable operating leases : not later than one year later than one year and not later than five years later than five years	29,26,800 72,98,174 NIL	23,49,362 91,80,392 NIL
iii) The rental expenses recognised in Profit and Loss account for operating leases :		

	Current Year Rupees	Previous Year Rupees
(a) Minimum Rent	2,02,21,462	1,27,54,709
(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	12,10,88,258	3,18,65,465
Accumulated Depreciation	1,67,88,761	1,08,62,870
Depreciation recognised in the Profit and Loss Account	27,84,155	11,94,019

NOTE NO.38

- (a) As at 31st March, 2013, 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.39

	Current Year ended	Previous Year ended
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 :		
Particulars		
Total No. of contracts outstanding for Amount:		
Receivable on account of Export of Goods.	336	293
Foreign Currency Value covered :		
US Dollars	17,40,62,522	20,06,78,305
Euro	18,29,63,481	9,35,01,956
Total No. of contracts outstanding for amount receivable on account of Fixed deposit with Bank.	NIL	6
Foreign Currency Value covered :		
US Dollars	NIL	45,00,000
Total No. of contracts outstanding for Amount :		
payable on account of Other Loan	2	NIL
Foreign Currency Value covered :		
US Dollars	1,47,845	NIL
Interest US Dollars	155	NIL
(b) Unhedged foreign currency exposure is as follows:		
Particulars		
Amounts Payable :		
Loans US Dollars:		
Other Loans :		
US Dollars	29,63,62,862	21,11,21,604
Interest US Dollars	5,97,762	1,64,298
Payables for goods and services:		
US Dollars	28,28,950	15,14,033
Euro	4,92,581	23,63,963
GBP	1,575	1,455
THB	2,29,214	NIL
CAD	36,190	NIL
JPY	71,985	NIL
SGD	19,800	NIL
Amounts Receivable:		
Export of Goods US Dollar	NIL	56,481
Advances :		
US Dollar	1,55,31,669	1,90,37,038
Euro	23,85,188	54,88,154
GBP	15,326	74,704
THB	NIL	5,87,178
Balance with Scheduled Banks		
On Current Accounts:		
US Dollar	2,555	13,98,137
Euro	NIL	28,66,312

NOTE NO.40**Disclosures in accordance with revised 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	1,11,01,731	92,21,168
	Interest Cost	77,62,004	64,70,795
	Expected Return on Plan Assets	(78,27,463)	(56,20,762)
	Past Service Cost (Vested benefit) recognised	NIL	NIL
	Actuarial-Loss (Net)	1,15,98,197	17,15,248
	Total Expenses recognised in the statement of Profit & Loss Account in Note No. '28'	2,26,34,469	1,17,86,449
ii)	Actual Contribution and Benefit Payments for the year end		
	Actual Benefit Payments	50,30,431	56,39,111
	Actual Contributions	1,72,44,508	2,28,59,981
iii)	Net Liability recognised in balance sheet at the year end		
	Present Value of Defined Benefit Obligation	11,75,40,074	9,13,17,689
	Fair value of plan assets	(1129,20,218)	(920,87,794)
	Net Liability recognised in balance sheet	46,19,856	(7,70,105)
iv)	Reconciliation of Opening and Closing Balances of Defined Benefit Obligations (DBO)		
	Present Value of DBO at the beginning of the year	9,13,17,689	7,84,33,881
	Current Service cost	1,11,01,731	92,21,168
	Interest cost	77,62,004	64,70,795
	Past Service Cost (Vested Benefit)		
	Actuarial Loss on DBO	1,23,89,081	28,30,956
	Benefits paid	(50,30,431)	(56,39,111)
	Present Value of DBO at the end of the year	11,75,40,074	9,13,17,689
v)	Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets		
	Plan assets at the beginning of the year	9,20,87,794	6,81,30,454
	Expected return on plan assets	78,27,463	56,20,762
	Actual Company contributions	1,72,44,508	2,28,59,981
	Actuarial Gain on Plan Assets	7,90,884	11,15,708
	Benefits paid	(50,30,431)	(56,39,111)
	Plan assets at the end of the year	11,29,20,218	9,20,87,794
vi)	Actuarial Assumptions		
	Discount Rate	8.25%	8.50%
	Expected Return on plan Assets	8.25%	8.50%
	Salary escalation	4.50%	4.50%

(a) Defined Contribution Plans-

The Company's contribution to defined contribution plans aggregating to **Rs.6,13,40,127** (Previous Year Rs.4,38,07,973) has been recognised in the statement of profit and loss account under the heading 'Contribution to Provident and Other Funds' (Note No. 28) .

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

	Current Year Rupees	Previous Year Rupees
Amount of Proposed dividend to Equity shareholders	14,49,87,893	14,49,87,893
Amount per share of Rs. 2 each, fully paid up	1.50	1.50

NOTE NO.42	Current Year Rupees	Previous Year Rupees
Payment to Auditors :		
(a) Statutory Auditors		
Audit Fees	29,31,651	26,92,033
For Tax Audit	5,90,000	5,25,000
For taxation matters	7,95,000	4,55,000
For Company Law matters	2,50,000	1,95,000
For other services - Certification etc.,	12,95,010	27,01,091
For reimbursement of expenses		
- Service Tax	7,03,767	5,64,072
- Expenses	66,400	58,500
(b) Cost Auditors		
Audit Fees*	2,70,000	3,50,000*
For reimbursement of expenses		
- Service Tax	24,720	24,720
* Previous Year including Rs. 1,00,000 for earlier year.		

NOTE NO.43	Current Year Rupees	Previous Year Rupees
(a) Prior period items	NIL	1,00,271
(b) Amount of Borrowing Cost capitalised	63,40,54,790	84,50,85,946
(c) Total of Research and Development Cost/Expenditure		
- Revenue	7,57,79,229	6,37,53,933
- Capital	9,37,18,529	3,18,21,140
Total of Research and Development Cost/Expenditure	16,94,97,758	9,55,75,073
(d) Contribution to Provident and Other Funds (Note No. 28) includes contribution for the year to Gratuity Fund covered under the master policies of Life Insurance Corporation of India.	1,72,44,508	2,28,59,981

NOTE NO.44

Other Operating Revenue includes **Rs.88,83,553** (Previous Year Rs.80,91,230) in respect of refund of Regulatory Liability Charges paid in earlier years to Maharashtra State Electricity Board.

NOTE NO.45

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 Ambivali, Tarapur, Bhiwadi, Chopanki, Jaisalmer & major assets at Bhuj Units and office premises at Creative Industrial Estate - Mumbai on pari - passu basis.	226,57,77,037
Term Loan from Banks:	
Secured by exclusive first charge on the textile machineries acquired by the Company out of the proceeds of the said loan. Further to be secured by first pari passu charge on Land and Factory Building, Plant and Machinery and all other movable assets, present and future, of the Company.	11,52,000
Secured/to be Secured by first charge by way of hypothecation on all the present and future movable, immovable fixed assets, Inventories and Receivables of the Company on first pari - passu basis.	82,76,30,099
Term Loan from Banks:	
Secured /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 & 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.	1495,70,57,500

NOTE NO.46

- i) Figures in brackets in notes 34 and 36 pertain to previous year.
- ii) The Revised Schedule VI to the Companies Act, 1956 has become effective from current financial year for the preparation of financial statements. It has significantly changed the disclosure and presentation made in the financial statements. 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: 30th May 2013

For and on behalf of the Board of Directors
ARVIND PODDAR Chairman & Managing Director
RAJIV PODDAR Executive Director
VIPUL SHAH Director & Company Secretary

Mumbai,
 Dated: 30th May 2013

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	Year Ended 31st March, 2013		Year Ended 31st March, 2012	
	Rupees		Rupees	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Profit before Tax		533,79,75,611		400,41,67,393
Adjustment for :				
Depreciation and Ammortisation	112,20,00,856		86,38,62,563	
Income from Investments	(35,26,850)		(91,58,839)	
Finance Cost	27,36,99,748		29,19,99,573	
Interest Income	(1,61,08,628)		(2,60,48,002)	
(Profit)/Loss on Sale of Fixed Assets	(56,01,254)		(29,27,384)	
Fixed Assets Discarded/Written Off	1,66,697		1,18,07,060	
Unrealised Foreign Exchange differences (Gain)/Loss	(8,91,67,742)		(1,16,15,001)	
Retiring Gratuities	2,07,35,977		1,17,86,450	
Leave Encashment	2,73,58,023		1,57,23,964	
Withdrawal of Provision for doubtful Debts no longer required	NIL		(131,080)	
		132,95,56,827		114,52,99,304
Operating profit before working capital changes		666,75,32,438		514,94,66,697
Adjustment for:				
Trade and other receivables	(57,13,81,406)		(244,70,59,504)	
Inventories	41,79,81,583		(75,55,17,124)	
Trade payables	42,63,53,138		37,05,69,508	
		27,29,53,315		(283,20,07,120)
Cash generated from operations		694,04,85,753		231,74,59,577
Direct taxes paid		(142,15,95,952)		(152,98,26,937)
Gratuity paid		(1,53,46,016)		(2,28,59,982)
Leave Encashment paid		(1,01,32,813)		(82,37,687)
Net cash from Operating Activities		549,34,10,973		75,65,34,971
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets & Capital Work in Progress	(1014,30,43,993)		(704,93,98,130)	
Sale of Fixed Assets	1,73,38,647		2,02,90,083	
Purchase of Investments	(490,48,83,294)		(226,41,58,175)	
Sale of Investments	489,63,24,664		237,72,17,485	
Inter Corporate Loan Given	(3,00,00,000)		NIL	
Inter Corporate Loan Refund Received	3,00,00,000		NIL	
Interest received	2,09,98,511		2,72,73,355	
Income Received on Investments	34,20,279		95,17,150	
Net cash used in Investing Activities		(1010,98,45,186)		(687,92,58,232)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
(Repayment)/Proceeds from Short Term Borrowings (Net)	127,56,29,162		(480,33,85,090)	
Proceeds from Long Term Borrowings	2040,44,61,156		2388,13,31,911	
Repayment of Long Term Borrowings	(1766,59,44,950)		(900,90,72,545)	
Inter Corporate Loan Received	35,99,00,000		NIL	
Inter Corporate Loan Repaid	(22,50,00,000)		NIL	
Dividend paid (including tax thereon)	(16,87,99,159)		(15,76,89,547)	
Finance cost paid	(28,27,23,482)		(21,45,33,474)	
Net Cash from Financing Activities		369,75,22,727		969,66,51,255
Net increase in cash and cash equivalent		(91,89,11,487)		357,39,27,994
Exchange difference on cash and cash equivalent - Gain		1,95,882		19,58,783
Cash and cash equivalent as at the begning of the year		369,84,05,229		12,25,18,452
Cash and cash equivalent as at the end of the year		277,96,89,624		369,84,05,229

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: 30th May 2013

For and on behalf of the Board of Directors

ARVIND PODDAR Chairman & Managing Director
RAJIV PODDAR Executive Director
VIPUL SHAH Director & Company Secretary

Mumbai,

Dated: 30th May 2013

NOTES

FEW APPLICATIONS WITH BKT TIRES





GROWING TOGETHER



BALKRISHNA INDUSTRIES LIMITED

Registered Office: H-3/1, MIDC, "A" Road, Tarapur, Boisar - 401 506
Corporate Office: BKT House, C/15, Trade World, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. Tel: 022 6666 3800.
website: bkt-tires.com

NOTICE

NOTICE is hereby given that the 51st Annual General Meeting of the members of BALKRISHNA INDUSTRIES LIMITED will be held as scheduled below:

DAY : Saturday

DATE : 21st September, 2013

TIME : 11:30 a.m.

PLACE : Plot No: G-4/1, MIDC, Tarapur,
Boisar - 401506, Dist. (Thane), Maharashtra.

The Agenda for the Meeting will be as under:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss Account for the year ended on that date and reports of the Board of Directors and the Auditors' thereon.
2. To Declare Dividend.
3. To appoint a Director in place of Shri Ashok Saraf, who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Laxmidas Merchant, who retires by rotation, and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Shri Rajiv Poddar, who retires by rotation, and being eligible offers himself for re-appointment.
6. To appoint a Director in place of Shri Subhash Chand Mantri, who retires by rotation, and being eligible offers himself for re-appointment.
7. To appoint Auditors and fix their Remuneration.

By Order of the Board of Directors
For **BALKRISHNA INDUSTRIES LIMITED**

VIPUL SHAH
DIRECTOR & COMPANY SECRETARY

Registered Office:

H-3/1, "MIDC",
A Road, Tarapur,
Boisar 401506.

Place: Mumbai,

Dated: 1st August, 2013

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: BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013, not less than 48 hours before commencement of the Meeting.
- 2) 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.

- 3) The relative details of directors seeking re-appointment under item 3, 4, 5 and 6 as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are also annexed.
- 4) The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 18th September, 2013 to Friday, the 20th September, 2013 (both days inclusive).
- 5) 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.
- 6) Members/Proxies should bring the attendance slip sent herewith duly filled in for attending the Meeting.
- 7) Members are informed that the final dividend amount remaining unpaid/unclaimed relating to the year ended 31st March, 2006 and for any subsequent years are advised to send the same to the Company for revalidation. Dividend amount remaining unpaid/unclaimed for a period of 7 years from the dates they became due for payment shall be transferred to the "Investor Education and Protection Fund" of the Central Government in terms of Section 205C of the Companies Act, 1956. No claim shall lie against the Company or "Investor Education and Protection Fund" in respect of unpaid/unclaimed once these dividends are transferred to "Investor Education and Protection Fund."
- 8) The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating the service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their email address by sending their details to the Registrar and Transfer Agent, M/s. Sharepro Service India Pvt. Ltd on email address : sharepro@shareproservices.com or to the Company on email address: shares@bkt-tires.com.

By Order of the Board of Directors
For **BALKRISHNA INDUSTRIES LIMITED**

VIPUL SHAH
DIRECTOR & COMPANY SECRETARY

Registered Office:

H-3/1, "MIDC",
A Road, Tarapur,
Boisar 401506.

Place: Mumbai,

Dated: 1st August, 2013

Details of the Directors seeking re-appointment in the forthcoming Annual General Meeting (in pursuance of Clause 49(VI)(A) of the Listing Agreement.

Name	Shri Ashok Saraf	Shri Laxmidas Merchant	Shri Rajiv Poddar	Shri Subhash Chand Mantri
Age	57 years	53 years	28 years	49 years
Qualification	B.Com; Diploma in Business Management; Diploma in Finance Management	B.Com; C.A.	B.A. Hons; Business Management from Kingston University	B.Com; F.C.A
Nature of expertise	Industrialist	Professional	Industrialist	Professional
Shares held in the Company	NIL	NIL	10,69,790	NIL
*Name of the Companies in which hold directorship	Saraf Chemicals Limited	Reliance Strategic Investments Limited; Reliance Ventures Limited	BKT Exim Limited; BKT Tyres Limited; SPG Power Limited; SPG Infrastructure Limited; Beetee Textiles Industries Limited; Clothing Culture Limited	Balkrishna Paper Mills Limited; Balkrishna Synthetics Limited
*Chairman/Member of the Committees of other public companies as on 31 st March, 2013	NIL	Reliance Strategic Investments Limited; Reliance Ventures Limited; Chairman of Audit Committee in both the Companies	NIL	NIL

* Private Limited Companies and Companies under Section 25 of the Companies Act, 1956 have been excluded.

By Order of the Board of Directors
 For **BALKRISHNA INDUSTRIES LIMITED**

VIPUL SHAH
DIRECTOR & COMPANY SECRETARY

Registered Office:
 H-3/1, "MIDC",
 A Road, Tarapur,
 Boisar 401506.

Place: Mumbai,
 Dated: 1st August, 2013

Balkrishna Industries limited

Registered Office: H-3/1, MIDC, A Road, Tarapur, Boisar 401 506

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING VENUE

Folio No....., DP ID Client ID.....

Name of the Shareholder:..... No. of Shares held

I hereby record my presence at the 51st ANNUAL GENERAL MEETING of the Company held on Saturday, the 21st September, 2013 at 11:30 a.m. at Plot No: G-4/1, MIDC, Tarapur, Boisar - 401506., Dist. (Thane), Maharashtra.

Signature of the Shareholder:.....
(only shareholders/proxies are allowed to attend the meeting).

Balkrishna Industries limited

Registered Office: H-3/1, MIDC, A Road, Tarapur, Boisar 401 506

PROXY FORM

Folio No....., DP ID Client ID.....

No. of Shares held

I/We of
being a member(s) of Balkrishna Industries Limited, hereby appoint
of failing him
of as my/our proxy to attend and vote for me/us and
on my/our behalf at the 51st Annual General Meeting of Balkrishna Industries Limited, to be held on Saturday, the
21st September, 2013 at 11:30 a.m. at Plot No: G-4/1, MIDC, Tarapur, Boisar - 401506., Dist. (Thane), Maharashtra.

affix
15 paise
Revenue
stamp

Signed this..... day of _____ 2013

Signature across Revenue Stamp

Note: The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Corporate 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.

BANK ACCOUNT PARTICULARS / ECS MANDATE FORM/EMAIL REGISTRATION FORM

I/ We do hereby authorise Balkrishna Industries Limited.

*To Print the following details on my/our dividend warrant.

To Credit my dividend amount directly to my Bank account by ECS.

(*Strike out whichever is not applicable.)

My/our Folio No. :.....

DP ID No..... Client A/c. No.....

Particulars of Bank Account:		
A.	Bank Name	:
B.	Branch Name	:
	Address (for Mandate only)	:
C.	9 Digit Code number of the bank & Branch as appearing on the MICR Cheque	:
D.	Account Type (Saving/ Current)	:
E.	Account No. as appearing on the cheque book	:
F.	STD Code & Telephone No.	:
G.	E-mail ID	:

I/We shall not hold the Company responsible if the ECS could not be implemented or the bank discontinue(s) the ECS, for any reason.


MAIL
TO

Sharepro Services (India) Pvt. Limited
Regd. Office: 13 AB, Samhita Warehousing Complex,
Second Floor, Sakinaka Telephone Exchange Lane,
Off Andheri Kurla Road, Sakinaka, Andheri (East),
Mumbai – 400 072
email address: sharepro@shareproservices.com

.....
Signature of the shareholder (s)

Please attach the photocopy of a cheque or a blank cancelled cheque issued by your Bank relating to your above account for verifying the accuracy of the 9 digit code number.

In case you are holding shares in demat form, kindly advise your Depository Participant to take note of your Bank account particulars /ECS mandate/email address.

FORM A	
1. Name of the company	Balkrishna Industries Limited
2. Annual financial statements for the year ended	31 st March, 2013
3. Type of Audit observation Un-qualified / Matter of Emphasis.	Un-qualified
4. Frequency of observation Whether appeared first time...../repetitive...../ since how long period	Not applicable
5. To be signed by:-	
i. Chairman & Managing Director – Shri Arvind M Poddar	<p>FOR BALKRISHNA INDUSTRIES LIMITED</p> <p><i>[Signature]</i></p> <p>CHAIRMAN & MANAGING DIRECTOR</p>
ii. Director (Finance) – Shri Basant G Bansal	<p>FOR BALKRISHNA INDUSTRIES LIMITED</p> <p><i>[Signature]</i></p> <p>B. G. BANSAL Director (Finance)</p>
iii. Auditor of the Company	<p>Refer our Audit Report dated 30th May, 2013 on the Financial Statements of the Company for year ended 31st March, 2013.</p> <p>For Jayantilal Thakkar & Co. Chartered Accountants (Firm Registration No. 104133W)</p> <p><i>V. A. Merchant</i></p> <p>Viral A Merchant (Partner) Membership No. 116279</p> <p>For BALKRISHNA INDUSTRIES LTD.</p> <p><i>[Signature]</i></p> <p>Director/Authorised Signatory.</p> 
iv. Chairman of the Audit Committee – Shri Subhash Chand B Mantri	

Place: Mumbai

Dated: 28.08.2013