

balkrishna industries limited							
Regd. Office :H-3/1, MIDC, "A" Road, Tarapur (Bolsar), Maharashtra							
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2012							
Particulars	STAND ALONE			YEAR ENDED		CONSOLIDATED	
	QUARTER ENDED			YEAR ENDED		YEAR ENDED	
	31/03/2012	31/12/2011	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	Unaudited			Audited		Audited	
(Rs. In Lacs)							
1. Income from Operations							
1. (a) Gross Sales	79360	79867	55838	281943	190544	302238	210671
(b) Net Sales/Income from Operations (Net of Excise Duty)	78666	79213	55281	279482	188646	298970	208117
(c) Other Operating Income	189	656	1574	2514	4768	2694	5104
Total Income from Operations(Net)	78855	79869	56855	281996	193414	301664	213221
2. Expenditure							
(a) Cost of materials consumed	49073	43624	32895	174126	120761	185170	131338
(b) Purchases of stock-in-trade	418	373	527	1780	2122	1780	2122
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3082)	883	866	(4796)	(277)	(5205)	(326)
(d) Employee benefits Expense	2014	1754	1663	7233	5451	9375	7182
(e) Depreciation and amortisation expense	2182	2089	1892	8314	7444	8639	7734
(f) Power & Fuel	2482	2634	1957	9640	7571	13981	11518
(g) Other Expenses	14504	16348	9704	43432	21795	45366	23823
Total expenses	67591	67705	49504	239729	164867	259106	183391
3. Profit from Operations before Other Income, finance costs & exceptional items(1-2)	11264	12164	7351	42267	28547	42558	29830
4. Other Income	62	69	630	330	1013	404	1134
5. Profit from ordinary activities before finance costs and exceptional items(3+4)	11326	12233	7981	42597	29560	42962	30964
6. Finance Costs	(39)	1443	350	2775	2066	2920	2150
7. Profit from ordinary activities after finance costs but before exceptional items (5-6)	11365	10790	7631	39822	27494	40042	28814
8. Exceptional Items							
9. Profit from Ordinary Activities before tax (7+8)	11365	10790	7631	39822	27494	40042	28814
10. Tax expense							
- Current	3223	3403	2333	12410	8720	12503	9091
- Deferred	515	99	93	560	218	645	270
11. Net Profit from Ordinary Activities After tax (9-10)	7627	7288	5205	26852	18556	26894	19453
12. Extra ordinary items (Net of tax expenses)							
13. Net Profit for the period (11+12)	7627	7288	5205	26852	18556	26894	19453
14. Paid up Equity Share Capital (Face Value of Rs. 2 Each)	1,933	1,933	1,933	1,933	1,933	1,933	1,933
15. Reserves excluding Revaluation Reserve				106076	81244	109075	84202
16. Earning Per Share(EPS) (Rs.) For respective periods							
Basic and Diluted	7.54	7.54	5.39	27.43	19.21	27.48	20.14
A. PARTICULARS OF SHAREHOLDINGS							
1. Public Shareholding:							
- Number of Shares	44107085	44107085	44107085	44107085	44108085	44107085	44108085
- Percentage of Shareholding	45.63	45.63	45.63	45.63	45.63	45.63	45.63
2. Promoter and Promoter Group Shareholding							
(a) Pledged/Encumbered							
- Number of Shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of Shares (as a % of the total Share Capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) Non - Encumbered							
- Number of Shares	52551510	52551510	52551510	52551510	52550510	52551510	52550510
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of Shares (as a % of the total Share Capital of the Company)	54.37	54.37	54.37	54.37	54.37	54.37	54.37



STATEMENT OF ASSETS AND LIABILITIES				
PARTICULARS	STANDALONE		CONSOLIDATED	
	YEAR ENDED		YEAR ENDED	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	Audited		Audited	
	(Rs. In Lacs)			
A. EQUITY AND LIABILITIES				
1. Shareholders' Funds	1933	1933	1933	1933
(a) Share Capital	106076	81245	109075	84202
(b) Reserves and surplus	108009	83178	111008	86135
Sub-total - Shareholders' funds				
2. Non-current liabilities	91373	2547	93983	3574
(a) Long-term borrowings	6259	5699	6667	6026
(b) Deferred tax liabilities(net)	3405	2287	3469	2300
(c) Other long term liabilities	12544	34434	12636	35568
(d) Long-term provisions	113581	44967	116755	47468
Sub-total - Non-current liabilities				
3. Current liabilities	74922	57263	75645	57360
(a) Short-term borrowings	20041	11450	21970	12753
(b) Trade Payables	5606	11088	6359	11907
(c) Other current liabilities	1997	1807	2060	1870
(d) Short-term provisions	102566	81608	106034	83890
Sub-total Current liabilities				
TOTAL - EQUITY AND LIABILITIES	324156	209753	333797	217493
B. ASSETS				
1. Non-current assets	127803	73148	134974	78114
(a) Fixed assets	-	-	6	6
(b) Goodwill on consolidation	3224	3224	244	244
(c) Non-current Investments	39292	46182	40481	47896
(d) Long term loans and advances	49	54	93	84
(e) Other non-current assets	170368	122608	175798	126344
Sub-total Non-current assets				
2. Current assets			1	1,132
(a) Current Investments	48107	41038	49,854	42,299
(b) Inventories	47961	32424	49,002	33,581
(c) Trade receivables	35740	1099	36,984	1,225
(d) Cash and cash equivalents	19499	8848	19,666	9,116
(e) Short-term loans and advances	2481	3736	2,492	3,796
(f) Other current assets	153788	87145	157,999	91149
Sub-total Current assets				
TOTAL - ASSETS	324156	209753	333797	217493

NOTES ON STAND ALONE RESULTS:

- The above results as reviewed by the Audit Committee have been approved by the Board of Directors at its meeting held on 30th May, 2012.
- Segment reporting as required by AS-17 is not applicable as the company operates in one single primary business segment i.e Tyres.
- The Implementation of green field tyre plant at Bhuj is progressing as per schedule.
- The Board has recommended Dividend of Rs.1.50 per equity share of Rs. 2/- each. The cash outgo on account of Dividend and Dividend Tax will be Rs.16.85 Crores.
- The Revised Schedule VI 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/period's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.
- The details of number of investor complaints for the quarter;
Beginning - Nil, Received - Nil, Disposed - Nil, Pending - Nil
- Foreign Exchange fluctuations on foreign currency transactions and translation (other than considered as finance cost) is included in Other Expenses.

NOTES ON CONSOLIDATED RESULTS :-

- The above consolidated results represent results of:
 - Balkrishna Industries Limited,
 - Its wholly owned subsidiaries namely Balkrishna Paper Mills Limited, Balkrishna Synthetics Limited, BKT Exim Limited and BKT Tyres Limited, and its wholly owned step down subsidiaries of BKT Exim Limited namely BKT (EUROPE) LTD., BKT EUROPE S.R.L. & BKT (USA) INC.
- The consolidation has been made in accordance with the principles and procedures as setout in the Accounting Standard (AS) 21 on consolidated financial statements.

Dated : 30th May, 2012

Place: Mumbai



For Balkrishna Industries Limited

 Arvind Poddar
 (Chairman & Managing Director)

JAYANTILAL THAKKAR & CO.
CHARTERED ACCOUNTANTS

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REF. NO.

**Auditors' Report to the Members of
BALKRISHNA INDUSTRIES LIMITED**

1. We have audited the attached Balance Sheet of **BALKRISHNA INDUSTRIES LIMITED**, as at 31st March, 2012 and also the Statement of Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. 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 Companies Act, 1956, ('the Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) 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;
 - iii) The Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv) In our opinion, the Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - v) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;



JAYANTILAL THAKKAR & CO.
CHARTERED ACCOUNTANTS

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Date _____

- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the Accounting Policies and Notes to Accounts, 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 :
- in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - in the case of the Statement of Profit and Loss Account, of the PROFIT for the year ended on that date; and
 - in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

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



V.A. Merchant

VIRAL A. MERCHANT
Partner
Membership No. 116279

Mumbai,
Dated : 30th May, 2012

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our Report of even date on the accounts of Balkrishna Industries Limited for the year ended 31st March, 2012.

- 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 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 two parties, which are wholly owned subsidiaries, covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year was Rs.5,73,67,690 and the year-end balance of the loans granted was Rs. 5,73,67,690.
- 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, 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, 2012 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 and Excise Duty 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)	1,89,96,605	2004-05, 2006-07	Commissioner (Appeals)
		22,45,010	2007-08	Assessing Authority
Sales Tax Acts	Sales Tax (Including Interest and Penalty)	2,58,000	2004-05	High Court
		2,49,27,822	1997-1998, 1999-2002	Tribunal
		1,87,85,609	1996-1999, 2002-2006	Commissioner (Appeals)
Central Excise Act	Excise Duty (Including Interest and Penalty)	19,55,781	2002-06	High Court
		4,22,58,567	2003-2011	Tribunal
		61,72,318	1999-2001, 2005-2011	Commissioner (Appeals)
		2,90,37,036	1994-2004	Assessing Authority

As per the information given to us, there are no dues of Service Tax, 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.



JAYANTILAL THAKKAR & CO.
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Date _____

- 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)



V. A. Merchant

VIRAL A. MERCHANT
Partner
Membership No. 116279

Mumbai,
Dated : 30th May, 2012