

BIL:VRS:2014-2015

May 15, 2014

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

Re: Outcome of the Board Meeting held on 15th May, 2014

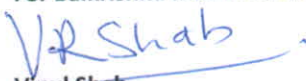
This is to inform you that in the meeting of the Board of Directors held on Thursday, the 15th May, 2014, the Board inter-alia took the following decisions:

1. The Board has accepted the resignation of Shri Subhash Chand B Mantri as the Director from the Board of Directors of the Company on account of pre-occupation conveyed vide letter dated 13th May, 2014 received on 14th May, 2014.
2. The Board has approved the Constitution/Change in Nomenclature of following Committees:
 - i. Constitution of Corporate Social Responsibility Committee.
 - ii. Change in nomenclature of the Remuneration Committee to Nomination and Remuneration Committee.
 - iii. Change in nomenclature of Shareholders/Investor's Grievance Committee to Stakeholders Relationship Committee.
3. The Board has approved revised Code of Conduct for Directors and Senior Management and establishment of whistle Blower Policy.
4. The Board has approved the Audited Financial Results of the Company for the quarter / year ended 31st March, 2014, Copy of the said Result and Audit Report received from M/s. Jayantilal Thakkar & Co. (Auditors of the Company) for the quarter/year ended 31st March, 2014 are enclosed herewith for your record).
5. The Board has recommended payment of Final Dividend of Rs. 2/- per Equity Share (100%) on the Equity Shares of Rs. 2/- each (face value) for the year ended 31st March, 2014, subject to the approval of the Shareholders of the Company.

The aforesaid information is given pursuant to the requirements of the Listing Agreement.

Thanking you,

Yours faithfully,
For Balkrishna Industries Limited


Vipul Shah
Director & Company Secretary
DIN NO: 05199526

C.C: National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai – 400 051

CIN No of the Company: L99999MH1961PLC012185

Registered Office: H-3/1 MIDC "A" Road, Tarapur (Boisar) 401 506, District - Thane (Maharashtra), India

balkrishna industries limited

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2014

Registered Office: H-3/1 MIDC "A" Road, Tarapur (Boisar) 401 506, District - Thane (Maharashtra), India Tel : +91 22 66663800 Fax: +91 22 66663898

(CIN No: L99999MH1961PLC012185) Email Id : shares@bkt-tires.com Website address : www.bkt-tires.com



Particulars	STAND ALONE					CONSOLIDATED	
	QUARTER ENDED			YEAR ENDED		YEAR ENDED	
	31/03/2014	31/12/2013	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	Audited (Refer Note no.8)	Unaudited	Audited (Refer Note no.8)	Audited		Audited	
(Rs. in Lacs)							
1. Income from Operations							
1. (a) Gross Sales	104010	87687	78244	357414	320271	377442	341254
(b) Net Sales/Income from Operations (Net of Excise Duty)	103063	86732	77396	353569	317308	372690	337382
(c) Other Operating Income	621	1710	534	4103	1749	4495	2011
Total Income from Operations(Net)	103684	88442	77930	357672	319057	377185	339393
2 . Expenditure							
(a) Cost of materials consumed	50000	39899	41117	171199	181791	182901	192111
(b) Purchases of stock-in-trade	126	141	111	554	949	577	949
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1739)	995	1505	348	(3644)	(1289)	(3592)
(d) Employee benefits Expense	4069	3603	3141	13858	10748	16857	13377
(e) Depreciation and amortisation expense	4787	4254	3213	16496	10771	17028	11220
(f) Power & Fuel	3307	2854	2619	11699	11532	16502	16344
(g) Net Exchange Difference Loss/(Gain) (Refer Note No.5)	3844	3638	(1001)	9107	1349	9188	1446
(h) Other Expenses	17289	14422	13849	61527	49893	63487	51872
Total expenses	81683	69806	64554	284788	263389	305251	283727
3. Profit from Operations before Other Income, finance costs & exceptional items(1-2)	22001	18636	13376	72884	55668	71934	55666
4. Other Income	311	523	60	1384	421	1410	451
5. Profit from ordinary activities before finance costs and exceptional items(3+4)	22312	19159	13436	74268	56089	73344	56117
6. Finance Costs							
- Interest and Finance Charges	992	636	348	2545	1997	2702	2166
- Applicable Net(Gain)/Loss on Foreign Currency transactions and translation	(205)	(48)	(317)	(48)	571	25	571
7. Profit from ordinary activities after finance costs but before exceptional items (5-6)	21525	18571	13405	71771	53521	70617	53380
8. Exceptional Items							
9. Profit from Ordinary Activities before tax (7+8)	21525	18571	13405	71771	53521	70617	53380
10. Tax expense							
- Current	1415	4975	2550	15700	14210	15869	14388
- Deferred	4695	1211	2392	7233	3727	7286	4001
11. Net Profit from Ordinary Activities After tax (9-10)	15415	12385	8463	48838	35584	47462	34991
12. Extra ordinary items (Net of tax expenses)							
13. Net Profit for the period (11+12)	15415	12385	8463	48838	35584	47462	34991
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				186547	139964	187575	142367
16. Earning Per Share(EPS) (Rs.) For respective periods							
Basic and Diluted	15.95	12.81	8.75	50.53	36.81	49.10	36.20
A. PARTICULARS OF SHAREHOLDINGS							
1. Public Shareholding:							
- Number of Shares	40310585	40310585	40310585	40310585	40310585	40310585	40310585
- Percentage of Shareholding	41.70	41.70	41.70	41.70	41.70	41.70	41.70
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	56348010	56348010	56348010	56348010	56348010	56348010	56348010
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100	100.00	100.00	100.00	100.00	100.00
- Percentage of Shares (as a % of the total Share Capital of the Company)	58.30	58.30	58.30	58.30	58.30	58.30	58.30



STATEMENT OF ASSETS AND LIABILITIES

PARTICULARS	STANDALONE		CONSOLIDATED	
	YEAR ENDED		YEAR ENDED	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	Audited		Audited	
(Rs. in Lacs)				
A. EQUITY AND LIABILITIES				
1. Shareholders' Funds				
a) Share Capital	1933	1933	1933	1933
b) Reserves and surplus	186547	139964	187575	142367
Sub-total - Shareholders' funds	188480	141897	189508	144300
2. Non-current liabilities				
a) Long-term borrowings	165589	150429	170640	156665
b) Deferred tax liabilities(net)	17218	9986	17955	10669
c) Other long term liabilities	4121	9409	4201	9694
d) Long-term provisions	(75)	(17)	(32)	46
Sub-total - Non-current liabilities	186853	169807	192764	177074
2. Current liabilities				
a) Short-term borrowings	68811	55926	70557	57995
b) Trade Payables	34308	24100	37808	27411
c) Other current liabilities	6113	4974	8673	6050
d) Short-term provisions	2837	2168	2898	2243
Sub-total Current liabilities	112069	87168	119936	93699
TOTAL - EQUITY AND LIABILITIES				
	487402	398872	502208	415073
B. ASSETS				
1. Non-current assets				
a) Fixed assets	280578	222322	295457	234783
b) Goodwill on consolidation	-	-	6	6
c) Non-current Investments	42651	3291	36812	312
d) Long term loans and advances	20981	27916	21955	28752
e) Other non-current assets	44	1	98	30
Sub-total Non-current assets	344254	253530	354328	263883
2. Current assets				
a) Current investments			207	20
b) Inventories	52908	43254	56,840	45,674
c) Trade receivables	61847	50449	61,376	51,967
d) Cash and cash equivalents	980	26631	1,494	27,797
e) Short-term loans and advances	27394	24378	27,926	25,074
f) Other current assets	19	630	37	658
Sub-total Current assets	143148	145342	147,880	151190
TOTAL - ASSETS				
	487402	398872	502208	415073

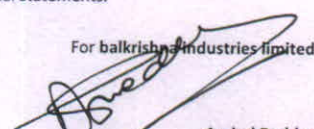
NOTES ON STAND ALONE RESULTS:

- The above results as reviewed by the Audit Committee have been approved by the Board of Directors at its meeting held on 15th May, 2014.
- Segment reporting as required by AS-17 is not applicable as the company operates in one single primary business segment i.e Tyres.
- The work on green field tyre plant of the Company at Bhuj is in progress and partial production has commenced.
- The Board has recommended Dividend of Rs. 2/- per equity share of Rs. 2/- each. The cash outgo on account of Dividend and Dividend Tax will be Rs.2261 Lacs.
- Net exchange Difference includes Loss/(Gain) on transactions related to Sales and Purchases.
- The Company has received approval from stock exchanges in connection with its scheme of arrangement of its two subsidiary Companies namely Balkrishna Paper Mills Limited and Balkrishna Synthetics Limited, has filed Application in the High Court of Bombay for its approval.
- The details of number of investor complaints for the quarter;
Beginning - Nil, Received - Nil Disposed - Nil, Pending - Nil
- The figures of quarter ended 31.03.2014 and 31.03.2013 are the balancing figures between the audited figures of the full financial year and published year to date figures upto the third quarter of the respective financial year.
- Previous year's/period's figures have been regrouped/reclassified wherever necessary.

NOTES ON CONSOLIDATED RESULTS : -

- The above consolidated results represent results of:
 - Balkrishna Industries Limited,
 - Its wholly owned subsidiaries namely Balkrishna Paper Mills Limited, Balkrishna Synthetic Limited, BKT Exim Limited, BKT Tyres Limited, Nirvikara paper Mills Limited, Trishtha Synthetics Limited and its wholly owned step down subsidiaries of BKT EXIM Limited namely BKT (Europe) Limited, BKT Europe S.r.l, BKT (USA) INC., BKT Tires (Canada) 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.

For balkrishna industries limited



Arvind Poddar
(Chairman & Managing Director)

Dated : 15th May, 2014

Place: Mumbai



REF. NO.

INDEPENDENT AUDITOR'S 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, 2014, 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") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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, 2014;
- (b) in the case of the Statement of Profit and Loss, 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 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;



- e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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)



V. A. Merchant

VIRAL A. MERCHANT
Partner
Membership No. 116279

Mumbai,
Dated : 15th May, 2014

ANNEXURE TO THE INDEPENDENT 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 two of its subsidiaries, covered in the register maintained under Section 301 of the Act, out of which one of the company has refunded the loan in full. The maximum amount involved during the year was Rs.11,82,92,690 and the year-end balance of the loans granted was Rs. 5,59,25,000.
- b) According to the information and explanations given to us, the rate of interest and other terms and conditions of the loans, 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. The receipt of interest is regular.
- 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, 2014 there were no material 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 Sales Tax, Income Tax, Customs Duty, 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 :-



<u>Name of Statute</u>	<u>Nature of Dues</u>	<u>Amount (Rs.)</u>	<u>Period to which the Amount Relates</u>	<u>Forum where dispute is pending</u>
Sales Tax Act	Sales Tax (Including Interest and Penalty)	2,63,96,831	1999-2002	Tribunal
		14,04,71,320	1996-97, 1998-99 2002-2006 2008-09	Commissioner (Appeals)
		2,58,000	2004-05	High Court
Income Tax Act	Income Tax (Including Interest and Penalty)	22,45,010	2007-08	Assessing Authority
Customs Act	Custom Duty (Including Interest)	29,50,97,207	2012-2014	High Court
Central Excise Act	Excise Duty and Service Tax (Including Interest and Penalty)	9,32,92,102	2002-2013	High Court
		86,11,11,765	2004-2013	Tribunal
		36,29,994	1999-2001 2005-2007 2010-2012	Commissioner (Appeals)
		3,46,89,477	1994-2004	Assessing Authority

As per the information given to us, there are no dues of 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 by the Company and no material fraud on 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 : 15th May, 2014

REF. NO.

INDEPENDENT AUDITOR'S REPORT

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, 2014, 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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, 2014;
- (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.21,52,662 (net) as at 31st March, 2014, total revenue of Rs.3,79,962 and net cash inflows amounting to Rs.3,82,858 for the year ended on that date. These financial statements have not been audited in accordance with Section 476 and Section 477 of the Companies Act, 2006(UK). We have relied on the Management certified financial statements.
- (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 liability of Rs.5,03,037 (net) as at 31st March 2014, total revenue of Rs.33,27,85,851 and net cash inflows amounting to Rs.1,89,90,766 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.2,18,06,939 (net) as at 31st March 2014, total revenue of Rs.18,96,63,640 and net cash inflows amounting to Rs.35,77,918 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.



- (iv) We did not audit the financial statements of the subsidiary, BKT TIRES (CANADA) INC (incorporated in CANADA), whose financial statements reflect the total assets of Rs.10,75,658 (net) as at 31st March 2014, total revenue of Rs.2,78,39,815 and net cash inflows amounting to Rs.3,50,978 for the year ended on that date. These financial statements have been reviewed by a Certified Public Accountants of Canada, 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)



V. A. Merchant

VIRAL A. MERCHANT
Partner
Membership No. 116279

Mumbai,
Dated : 15th May, 2014