

Ref.No.BIL/2016-17

18th June, 2016

To,
Securities And Exchange Board of India
Plot NO. C4-A
G Block
Bandra Kurla Complex
Bandra East
Mumbai 400051

Sub: Audit report on the records and systems of Sharepro Services (India) Private Limited with respect to dividends paid and transfer of securities.

Dear Sir,

This has reference to your Order No. WTM/RKA/MIRSD2/41/2016 dated 22nd March, 2016 directing the clients of the Sharepro Services (India) Private Limited to conduct the records and systems of Sharepro Services (India) Private Limited with respect to dividends paid and transfer of securities.

Sharepro Services (India) Private Limited was Registrar & Transfer Agent of the Company w.e.f. 1st April, 2003. As advised we appointed Mr. G B B Babuji, Practising Company Secretary to conduct the audit of the records and systems of Sharepro Services (India) Private Limited with respect to dividends paid by the Company to the Shareholders and share transfers/transmission securities done during the period from 1st April, 2005 to 31st March, 2016. Mr. G B B Babuji, Practising Company Secretary has issued his clean report on the above mentioned subject. We are enclosing herewith the said Audit report as Annexure I.

Further to inform you that we have terminated the services of Sharepro on 18th May, 2016 and have appointed Karvy Computershare Private Limited (Karvy), Hyderabad as the new RTA of the Company. An intimation dated 23rd May, 2016 has been sent by us to the Stock Exchange(s) in this regard. Sharepro continued to act as RTA of the Company until the shifting of ISIN to Karvy.

Contd.2



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As such, you will appreciate that we have complied with the SEBI Order No. WTM/RKA/MIRSD2/41/2016 dated 22nd March, 2016.

Kindly acknowledge the receipt.

Thanking you,

Yours faithfully,
For Balkrishna Industries Limited

VR Shah

Vipul Shah
Director & Company Secretary
DIN : 05199526



Encl: as above

C.C: BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai 400 001

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

Central Depository Services (I) Ltd
Phiroze Jeejeebhoy Towers, 17th floor,
Dalal Street, Fort, Mumbai - 400 023

National Securities Depository Ltd
Trade World, 4th floor, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai - 400013

M/s. Balkrishna Industries Limited
BKT House, c/15, Trade World
Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai 40001

Sub: Audit Report on the records and systems of Sharepro Services (India) Private Limited with respects to dividends paid and transfer of securities.

I have conducted an audit of the records and systems of Sharepro Services (India) Private Limited (hereinafter referred to as "Sharepro"), who were acting as the Registrar and Share Transfer Agent of M/s. Balkrishna Industries Limited (hereinafter referred to as "the Company"), with respect to the dividends paid and transfer of securities to determine whether dividends have been paid to the actual/beneficial holders and whether securities have been transferred as per the provisions of law within the preceding 10 years, in terms of the direction of the Securities Exchange Board of India's Ex-Parte Ad-Interim Order WTM/RKA/MIRSD2/41/2016 dated March 22, 2016.

I have examined the records, as per Annexure I, and systems of Sharepro with respect to the dividends paid and the share transfers / transmission of securities of the Company for the period April 1, 2005 to March 31, 2016, at the Corporate Office of the Company at BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013 and at Sharepro's Office at 13 AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Andheri (East), Mumbai 400072, and at their Godown at Harihar Corporation, 115/116, Village Dhapode, Post Kalhar, Bhiwandi, Dist Thane - 421302, to determine whether dividends have been paid to the actual/beneficial holders and whether securities have been transferred/transmitted as per the provisions of law. The examination was conducted in a manner that provided me a reasonable basis for evaluating the systems and processes followed by Sharepro in relation to the physical transfer of shares and payment of dividends by the Company and to ascertain whether such records and systems followed by Sharepro were in compliance of the laws or not and expressing my opinion thereon.

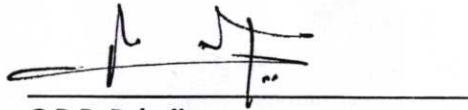


During my examination and verification of records with regard to the payment of dividends, issue of Demand Drafts in lieu of out-dated Dividend Warrants, reconciliation of paid/unpaid warrants from the banks, transfer of unpaid dividends to the Investor Education and Protection Fund and the transfer and transmission of shares, it was found that the Company was closely monitoring the transactions and the instructions to the Banks for issue of DDs/Warrants in lieu of out-dated Dividend Warrants were being given by the Authorised Signatories of the Company and the Company was directly despatching these DDs/Warrants.

Based on my examination and verification, I hereby report that none of the parties which are mentioned in the aforesaid Order of SEBI, dated March 22, 2016, are involved in any way either as Transferors or Transferees or recipients of dividends in the records of the Company during the period April 1, 2005 to March 31, 2016 and that the Register of Members as on date do not contain the names of the parties mentioned in the SEBI Order.

Based on my verification of the records, registers, data, documents, papers maintained by Sharepro and the Company, in my opinion and to the best of the information available with the Company and according to the explanations given by the representatives of Sharepro and the Company, I hereby report that in my opinion, during the reporting period, I have not come across any instance of deviation from the standard practices and procedures followed with respect to physical transfer of shares and payment of dividends of the Company as per the provisions of law.

Signature:
Name



G.B.B. Babuji

Company Secretary in Whole-time Practice

Membership No. FCS-1182

C P No. 8131

Place : Mumbai,
Date: June 16, 2016.



Annexure I

1. Register of Members
2. Data showing beneficial ownership position in the depositories on periodical basis
3. Register / Records of Transfer of Shares
4. Register / Records of Transmission of Shares
5. Register / Records of Issue of Duplicate Shares
6. Register / Records of Deletion of name due to death
7. Physical Share Transfer Forms
8. Dividend Registers for each of the years
9. Lists of paid and unpaid warrants for each year and Bank Reconciliation Statements.
10. Correspondence regarding issue of DDs/Warrants against out-dated Warrants/loss of warrants.

