



BIL/SE/2024-25

26<sup>th</sup> June, 2024

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001

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

Scrip Code: 502355 (Equity)  
Scrip Code : 973556 (Debt)

Trading Symbol: BALKRISIND

Dear Sir/Madam,

Sub: Annual Report for the financial year 2023-24 including Notice of Annual General Meeting, Record date and Dividend payment Date.

This is to inform you that the 62<sup>nd</sup> Annual General Meeting (AGM) of the Members of the Company is scheduled to be convened on Friday, the 19<sup>th</sup> July, 2024 through Video Conferencing / Other Audio Visual Means pursuant to circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

Pursuant to Regulations 30, 34(1) and 53(2) of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report of the Company for the financial year 2023-24 along with the Notice convening Annual General Meeting (“Notice”) to be held on Friday, the 19<sup>th</sup> July, 2024 through Video Conferencing / Other Audio Visual Means, being sent to the members through electronic mode, is attached herewith. The Annual Report for year 2023-24 including Notice is also uploaded on the Company’s website and can be accessed at <https://www.bkt-tires.com/ww/en/investors-desk>.

Pursuant to Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure report Requirements) Regulations, 2015, the Company has fixed Saturday, the 6<sup>th</sup> July, 2024 as the Record Date for determining entitlement of members to Final Dividend for the financial year ended 31<sup>st</sup> March, 2024. If the final dividend as recommended by the Board of Directors is approved at the AGM, payment of such dividend, subject to deduction of tax at source, will be made on or after 19<sup>th</sup> July, 2024 but within stipulated time.

This is for your information and records.

Thanking you,

Yours faithfully,  
For Balkrishna Industries Limited

Vipul Shah  
Director & Company Secretary and  
Compliance Officer  
DIN: 05199526

Copy to: National Securities Depository Limited. Trade World, 4 <sup>th</sup> floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013	Central Depository Services (India) Limited Marathon Futurex, A-Wing, 25th Floor, NM Joshi Marg, Lower Parel, Mumbai – 400013	KFin Technologies Limited Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032	AXIS TRUSTEE SERVICES LIMITED The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar west, Mumbai – 400028
---------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------

**Balkrishna Industries Ltd.**

**CIN No.: L99999MH1961PLC012185**

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

**Tel: +91 22 6666 3800 Fax: +91 22 6666 3898/99 www.bkt-tires.com**

**Registered Office: B-66, Waluj MIDC, Waluj Industrial Area, Chhatrapati Sambhaji Nagar– 431 136, Maharashtra, India**



# Balkrishna Industries Limited

CIN : L99999MH1961PLC012185

Regd. Office : B-66, MIDC, Waluj Industrial Area, Waluj, Chhatrapati Sambhaji Nagar 431 136 (Maharashtra)  
 Corp. Office: BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013  
 Tel.: + 91-22-6666 3800 | Fax : +91-22-6666 3898/99 | Email: [shares@bkt-tires.com](mailto:shares@bkt-tires.com) | Website: [www.bkt-tires.com](http://www.bkt-tires.com)

## NOTICE

NOTICE is hereby given that the 62<sup>nd</sup> Annual General Meeting of the Members of BALKRISHNA INDUSTRIES LIMITED will be held on Friday, the 19<sup>th</sup> July, 2024 at 11:00 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

- To consider and adopt:
  - the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2024, together with the Reports of the Board of Directors and Auditors' thereon; and
  - the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2024, together with the Report of the Auditors' thereon.
- To confirm the payment of Interim Dividends on Equity Shares and to declare a Final Dividend of ₹ 4.00 per Equity Share (200%) on Equity Shares of ₹ 2/- each (face value), if any, for the financial year 2023-24.
- To appoint a Director in place of Mrs. Vijaylaxmi Poddar (DIN: 00160484), who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS:

- To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 148 and all applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force) the remuneration payable to M/s. RA & Co., Cost Accountants, (Firm Registration No.: 00242), who were appointed by the Board of Directors as the Cost Auditors of the Company based on the recommendation of Audit Committee, to conduct an audit of the cost records of the Company for the financial Year ended 31<sup>st</sup> March, 2024 and financial year ending 31<sup>st</sup> March, 2025, amounting to ₹ 5,00,000/- (Rupees Five Lakh Only) per annum plus applicable taxes and reimbursement of out-of-pocket expenses, incurred in connection with the Audit be and is hereby ratified."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, and things as may be necessary, expedient, and desirable for the purpose of giving effect to this resolution and for matters concerned or incidental thereto."

### NOTES:

- The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/2020 dated 13<sup>th</sup> April, 2020, General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, and subsequent circulars issued in this regard, the latest being General Circular no. 09/2023 dated 25<sup>th</sup> September, 2023, in relation to clarification on holding of Annual General Meeting (AGM) through Video Conferencing ("VC") or through Other Audio Visual Means ("OAVM") (collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023 ("SEBI Circular") has

provided certain relaxations from compliance with certain provisions of the Listing Regulations.

In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the 62<sup>nd</sup> AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the 62<sup>nd</sup> AGM.

- The Explanatory Statement pursuant to Section 102 of the Act in respect of the Special business given in the Notice of the AGM and details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed. Requisite declarations have been received from the Director for seeking re-appointment and her brief profile forms part of this Notice.
- Pursuant to the provisions of the Companies Act, 2013, ("Act") a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
- Institutional shareholders/Corporate shareholders (i.e. other than individuals, HUF's, NRI's, etc.) are required to send a scanned copy (PDF Format) of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to [gbbbabujji@yahoo.co.in](mailto:gbbbabujji@yahoo.co.in) with a copy marked to [einward.ris@kfinotech.com](mailto:einward.ris@kfinotech.com).
- The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. The Company has appointed KFin Technologies Limited (KFinTech), to provide the VC facility for conducting the AGM and for voting through remote e-voting or through e-voting at the AGM. Instructions and other information relating to remote e-voting are given in this Notice under Note No.22.
- To support Green Initiative and for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically, the Members who have not yet registered their email addresses are requested to register the same with their Depository Participants (DPs) in case the shares are held by them in electronic form and with the Company or Registrar and Share Transfer Agent of the Company – KFinTech in case the shares are held by them in physical form.
- SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37 dated 16<sup>th</sup> March, 2023 in supersession of earlier Circular(s) issued on the subject, has prescribed common and simplified norms for processing investor service requests by RTAs and norms for furnishing PAN, KYC (contact details, bank details and specimen signature), and nomination details. As per the said Circular, it is mandatory for the shareholders

holding securities in physical form to, inter alia, furnish PAN, KYC, and nomination details.

Physical folios wherein the said details are not available would be eligible for lodging grievance or any service request only after registering the required details. Any payments including dividend in respect of such folios shall only be made electronically with effect from 1<sup>st</sup> April 2024 upon registering the required details.

8. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing the aforesaid details. In view of this requirement and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are once again requested to update their KYC details (through Form ISR-1, Form ISR-2 and Form ISR-3, as applicable) and consider converting their holdings to dematerialized form. Members can download Forms to make their service request with RTA from Company website: [www.bkt-tires.com](http://www.bkt-tires.com) or from KFinTech Website <https://ris.kfintech.com/clientservices/isc/default.aspx> or contact the Company or Company's Registrar and Transfer Agent-KFinTech for assistance in this regard.
9. Members are requested to intimate changes, if any, pertaining to their Name, Postal address, E-mail address, Telephone/Mobile numbers, Permanent Account Number (PAN), Nominations, Bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., (a) For shares held in electronic form: to their Depository Participants (DPs) (b) For shares held in physical form: to the Company/Registrar and Transfer Agent in prescribed forms. Format of the forms are available on the Company's Website [www.bkt-tires.com](http://www.bkt-tires.com).
10. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing following service requests (i) Issue of duplicate securities certificate; (ii) claim from unclaimed suspense account; (iii) renewal/exchange of securities certificate; (iv) endorsement; (v) sub-division/splitting of securities certificate; (vi) consolidation of securities certificates/folios; (vii) transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website [www.bkt-tires.com](http://www.bkt-tires.com).
11. SEBI vide its notification dated 24<sup>th</sup> January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Kfintech/Company for assistance in this regard.
12. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out of Nomination he/she may submit the same in Form ISR – 3 or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form SH-14. The said forms can be downloaded from the Company's website [www.bkt-tires.com](http://www.bkt-tires.com). Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the KFinTech/Company in case the shares are held in physical form.
13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
14. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated 31<sup>st</sup> July, 2023, and SEBI/HO/OIAE/OIAE\_

IAD-1/P/CIR/2023/135 dated 4<sup>th</sup> August, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/195 dated 28<sup>th</sup> December 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>)

15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write an email to the Company on or before 9<sup>th</sup> July, 2024 at Company's email id: [shares@bkt-tires.com](mailto:shares@bkt-tires.com).
16. Pursuant to the provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPFA Rules) as amended from time to time, during the year 2023-24 the Company has transferred Unpaid / Unclaimed Final Dividend for year 2015-16 and 1<sup>st</sup> 2<sup>nd</sup> & 3<sup>rd</sup> Interim Dividends declared for financial year 2016-17, on due date to the Investor Education and Protection Fund ('IEPF') established by the Central Government.  
During the year 2024-25 the Company shall transfer the Unpaid/Unclaimed Final Dividend declared for financial year 2016-17 and 1<sup>st</sup>, 2<sup>nd</sup> & 3<sup>rd</sup> Unpaid/ Interim dividends declared for financial year 2017-18 on due date to the Investor Education and Protection Fund ('IEPF') established by the Central Government. The details of unpaid/ unclaimed dividend amounts lying with the Company are uploaded on website of the Company viz: [www.bkt-tires.com](http://www.bkt-tires.com) and on website of the Ministry of Corporate Affairs.
17. Members who have not yet encashed their dividend warrant(s) from the financial year 2017-18 or any subsequent financial years are requested to approach the Company or KFinTech for claiming the same before the due date of transfer. Members attention is particularly drawn to the "Corporate Governance" section of the Annual Report in respect of unclaimed dividend.
18. As per Section 124(6) of the Act read with the IEPFA Rules as amended from time to time, all the shares in respect of which dividend has not been encashed or claimed for seven consecutive years or more shall be transferred to designated Demat Account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account.

Accordingly, during the year 2023-24, the Company had, after sending reminders to concerned members transferred 48,151 Equity Shares in respect of Unpaid/Unclaimed Dividend for financial year 2015-16 and 1<sup>st</sup> and 2<sup>nd</sup> Unpaid/Unclaimed Interim dividends declared for financial year 2016-17 on due dates to the IEPF Account which remained unclaimed for seven consecutive years. The Company has transferred 5 Equity shares in respect of 3<sup>rd</sup> Unpaid/Unclaimed Dividend for financial year 2016-17 on 17<sup>th</sup> April, 2024 on due date. to the IEPF Account which remained unclaimed for seven consecutive years.

Details of shares transferred to IEPF Authority are available on the website of the Company [www.bkt-tires.com](http://www.bkt-tires.com). Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF.

The Shareholders will be able to claim these dividend / equity shares pursuant to IEPFA Rules by making an online application in web form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/ shares so transferred.

19. In compliance with the aforesaid MCA and SEBI Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7<sup>th</sup> October, 2023,

Notice of the 62<sup>nd</sup> AGM along with the Annual Report for year 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participants. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website [www.bkt-tires.com](http://www.bkt-tires.com) and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and <https://www.nseindia.com> respectively, and on the website of Company's Registrar KFinTech: <https://evoting.kfintech.com>.

20. Subject to approval of the Members at the AGM, the final dividend will be paid to the Members whose names appear on the Company's Register of Members as on the Record Date i.e., 6<sup>th</sup> July, 2024 and in respect of the shares held in dematerialized mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date. The payment of such final dividend subject to deduction of tax at source as recommended by the Board of Directors, if approved at the AGM, will be made on or after 19<sup>th</sup> July, 2024 but within stipulated time, to all the beneficial owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of end of day of 6<sup>th</sup> July, 2024 and to all the Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as at the close of business hours on 6<sup>th</sup> July, 2024.

Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend warrants / demand drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details. Shareholders are requested to register / update their complete bank details: (a) with their Depository Participant(s) with whom they maintain their demat accounts, if shares are held in dematerialized mode by submitting the requisite documents, and (b) with the Company/ KFinTech, if shares held in physical mode, by submitting scanned copy of the signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details).

21. Tax Deductible at Source / Withholding tax: Pursuant to the requirement of Income Tax Act, 1961, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and documents submitted by shareholder with the Company/ KFinTech/ Depository Participant.

A. Resident Shareholders:

A.1. Tax Deductible at Source for Resident Shareholders

Sr. No. (1)	Particulars (2)	Withholding tax rate (3)	Documents required (if any)/ Remarks (4)
1.	Valid PAN updated in the Company's Register of Members	10%	No document required If dividend does not exceed ₹ 5,000/-, no TDS/ withholding tax will be deducted.
2.	No PAN / Valid PAN not updated in the Company's Register of Members/ PAN is not linked with AADHAR in case of an individual	20%	TDS will be deducted at 20% as provided under Section 206AA of the Income Tax Act, 1961, regardless of dividend amount, if PAN of the shareholder other than individual is not registered with the Company / KFinTech / Depository Participant.

			In case of individual shareholder, if PAN is not registered with the Company / KFinTech / Depository Participant & cumulative dividend payment to an individual shareholder is more than ₹ 5000, TDS / Withholding tax will be deducted at 20% under Section 206AA of the Income Tax Act, 1961. All the shareholders are requested to update, their PAN with their Depository Participant (if shares are held in electronic form) and Company / KFinTech (if shares are held in physical form). Please quote all the folio numbers under which you hold your shares while updating the records.
3.	A shareholder falls in the category of "specified person" as defined in Section 206AB of Income Tax Act, 1961	20%	The PAN of the shareholder registered with the Company / KFinTech / Depository Participant will be validated on "Compliance Check functionality for Section 206AB & 206CCA" on Reporting Portal of Income Tax Department & accordingly 20% TDS will be deducted with reference to Section 206AB of Income Tax Act, 1961, if the person is "specified person".
4.	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority to be submitted.
5.	Benefits under Income Tax Rule 37BA	Rates based on applicability of Income Tax Act, 1961 to the beneficial owner	If the registered shareholder e.g. Clearing Member / intermediaries / stock brokers are not the beneficial shareholders of the shares and if the declaration under Income Tax Rule Form 37BA(2) is provided regarding the beneficial owner, the TDS / Withholding tax will be deducted at the rates applicable to the beneficial shareholders.

- A.2. No Tax Deductible at Source on dividend payment to resident shareholders if the Shareholders submit following documents as mentioned in column no.4 of the below table with the Company /KFinTech/Depository Participant on or before record date for all the dividends declared by the Company, if any.

Sr. No. (1)	Particulars (2)	Withholding tax rate (3)	Documents required (if any) / Remarks (4)
1	Submission of form 15G/15H	NIL	Declaration in Form No. 15G (applicable to an individual who is below 60 years) / Form 15H (applicable to an individual who is 60 years and above), fulfilling certain conditions.
2	Shareholders to whom section 194 of the Income Tax, 1961 does not apply as per second proviso to section 194 such as LIC, GIC. etc.	NIL	Valid Documentary evidence for exemption u/s 194 of Income Tax Act, 1961.

Sr. No. (1)	Particulars (2)	Withholding tax rate (3)	Documents required (if any) / Remarks (4)
3	Shareholder covered u/s 196 of Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds.	NIL	Valid Documentary evidence for coverage u/s 196 of Income Tax Act, 1961.
4	Category I and II Alternate Investment Fund	NIL	SEBI registration certificate to claim benefit under section 197A (1F) of Income Tax Act, 1961.
5	<ul style="list-style-type: none"> <li>Recognised provident funds</li> <li>Approved superannuation fund</li> <li>Approved gratuity fund</li> </ul>	NIL	Valid documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT).
6	National Pension Scheme	NIL	No TDS/ withholding tax as per section 197A (1E) of Income Tax Act, 1961. Valid documentary evidence (e.g., relevant copy of registration, notification, order, etc.) to be provided.
7	Any resident shareholder exempted from TDS deduction as per the provisions of Income Tax Act or by any other law or notification	NIL	Necessary documentary evidence substantiating exemption from deduction of TDS.

**B. Non-Resident Shareholders:**

The table below shows the withholding tax on dividend payment to non-resident shareholders who submit, on or before record date the following document(s), as mentioned in column no.4 of the below table, to the Company / KFinTech.

In case all necessary documents are not submitted, then the TDS/ Withholding tax will be deducted @ 20% (plus applicable surcharge and cess).

Sr. No. (1)	Particulars (2)	Withholding tax rate (3)	Documents required (if any) / Remarks (4)
1	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) / Other Non-Resident shareholders	20% (plus applicable surcharge and cess) or tax treaty rate, whichever is beneficial	<p>FPI registration certificate in case of FIIs / FPIs.</p> <p>To avail beneficial rate of tax treaty following tax documents would be required:</p> <ol style="list-style-type: none"> <li>Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received.</li> <li>PAN or declaration as per Rule 37BC of Income Tax Rules, 1962 in a specified format.</li> <li>E-filed Form 10F.</li> <li>Self-declaration for non-existence of permanent establishment/ fixed base in India.</li> </ol> <p>(Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non Resident shareholder and review to the satisfaction of the Company).</p>

Sr. No. (1)	Particulars (2)	Withholding tax rate (3)	Documents required (if any) / Remarks (4)
2.	Indian Branch of a Foreign Bank	NIL	<p>Lower tax deduction certificate u/s 195(3) of Income Tax Act, 1961 obtained from Income Tax Authority.</p> <p>Self-declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank and the same will be included in taxable income of the branch in India.</p> <p>In case above documents are not made available, then Withholding tax will be at 40% (plus applicable surcharge and cess).</p>
3.	Availability of Lower / NIL tax deduction certificate issued by Income Tax Authority	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority.
4.	Any non-resident shareholder exempted from WHT deduction as per the provisions of Income Tax Act or any other law such as The United Nations (Privileges and Immunities) Act 1947, etc.	NIL	Necessary documentary evidence substantiating exemption from WHT deduction
5.	A shareholder falls in the category of "specified person" as defined in Section 206AB of Income Tax Act, 1961	Double the applicable tax rate	The PAN of the shareholder registered with the Company / KFinTech / Depository Participant will be validated on "Compliance Check functionality for Section 206AB & 206CCA" on Reporting Portal of Income Tax Department & accordingly applicable TDS will be deducted with reference to Section 206AB of Income Tax Act, 1961, if the person is "specified person".
6.	Benefits under Income Tax Rule 37BA	Rates based on the applicability of Income Tax Act, 1961 / DTAA (whichever is beneficial) to the beneficial owner	If the registered shareholder e.g. Clearing Member / intermediaries / stock brokers are not the beneficial shareholders of the shares and if the declaration under Income Tax Rule Form 37BA(2) is provided regarding the beneficial owner, the Withholding tax will be deducted at the rates applicable to the beneficial shareholders. The documents as mentioned against Sr. No 1 to 4 in column 4 will be required in addition to the above declaration.

**Notes:**

- The Company will issue soft copy of the TDS certificate to its shareholders through e-mail registered with KFinTech post payment of the dividend. Shareholders will be able to download Form 26AS from the Income Tax Department's website <https://incometaxindiaefiling.gov.in>
- For Shareholders who are identified as "Specified Persons" under Sec 206AB of the Act, higher tax rate as applicable would be deducted. For the purpose of TDS, Company will verify the status (i.e., Specified Person or not) from the Government enabled online facility and deduct TDS accordingly.
- The aforesaid documents such as Form 15G/ 15H, documents under sections 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be uploaded on the link <https://ris.kfintech.com/form15> on or before record date to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/ deduction received after record date shall not be considered. Formats of Form 15G / Form 15H can be

- downloaded from the link <https://ris.kfintech.com/form15>.
- (iv) Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in Register of Members as on the Record Date, and other documents available with the Company/ KFinTech.
  - (v) In case TDS is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund. No claim shall lie against the Company for such taxes deducted.
  - (vi) No TDS will be deducted in case of resident individual shareholders who furnish their PAN details and whose dividend does not exceed ₹ 5,000/-. However, where the PAN is not updated in Company/KFinTech/ Depository Participant records or in case of an invalid PAN, the Company will deduct TDS u/s 194 without considering the exemption limit of ₹ 5,000/-.
- All the shareholders are requested to update their PAN with their Depository Participant (if shares are held in electronic form) and Company / KFinTech (if shares are held in physical form) against all their folio holdings on or before record date.
- (vii) In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, such shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.
- A separate email communication was also sent to the shareholders informing the relevant procedure to be adopted by them/documents to be submitted for availing the applicable tax rate in the month of May, 2024..

22. Instructions for e-voting and joining the AGM are as follows:

A. Voting through electronic means:

- i. In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, as amended and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 in relation to e-voting Facility provided by Listed Entities, the Company provides to its Members, the facility to exercise their right to vote on resolutions proposed to be considered at the 62<sup>nd</sup> AGM by electronic means and the business may be transacted through e-voting services.
- The facility of casting the votes by the Members using the electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by KFin Technologies Limited (KFinTech).
- ii. The Board of Directors has appointed Mr. G.B.B. Babuji, a Practicing Company Secretary as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
  - iii. Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC /OAVM but shall not be entitled to cast their vote again.
  - iv. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut- off date.
  - v. The remote e-voting period commences on Tuesday, the 16<sup>th</sup> July, 2024 (9:00 a.m.IST) and ends on Thursday, the 18<sup>th</sup> July, 2024 (5:00 p.m.IST). During this period, the Members of the Company, holding shares either in physical form or in dematerialized form, (as on the cut-off date of 12<sup>th</sup> July, 2024) may cast their votes by remote e-voting. The remote e-voting module shall be disabled by KFinTech for voting thereafter.
  - vi. Once the vote on a resolution is cast by a Member through e-voting, the concerned member shall not be allowed to change it subsequently.
  - vii. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
  - viii. All documents referred to in the accompanying Notice are open for inspection up to the date of the 62<sup>nd</sup> AGM of the Company through electronic mode.
  - ix. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act shall be made available at the AGM through electronic mode.

- x. **Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode in terms of SEBI Circular dated 9<sup>th</sup> December, 2020:** Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.
- Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

(a) Login method for Individual shareholders holding securities in demat mode is given below:

Type of Member	Login Method
Individual Members holding equity shares in demat mode with NSDL	<p><b>A) Existing Internet-based Demat Account Statement ("IDEAS") facility Users:</b></p> <ul style="list-style-type: none"> <li>i) Visit the e-services website of NSDL <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile.</li> <li>ii) On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDEAS' section. Thereafter enter the existing user id and password.</li> <li>iii) After successful authentication, Members will be able to see e-voting services under 'Value Added Services'. Please click on "Access to e-voting" under e-voting services, after which the e-voting page will be displayed.</li> <li>iv) Click on Company name or e-voting service provider i.e. KFinTech.</li> <li>v) Members will be re-directed to KFinTech's website for casting their vote during the remote e-voting period and voting during the AGM.</li> </ul> <p><b>B) Users not registered under IDEAS e-Services:</b></p> <ul style="list-style-type: none"> <li>i) Visit <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> for registering.</li> <li>ii) Select "Register Online for IDEAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ul> <p><b>C) By visiting the e-voting website of NSDL:</b></p> <ul style="list-style-type: none"> <li>i) Visit the e-voting website of NSDL <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a>.</li> <li>ii) Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section. A new screen will open.</li> <li>iii) Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>iv) After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.</li> <li>v) Click on company or e-voting service provider name i.e. KFinTech after which the Member will be redirected to e-voting service provider website for casting their vote during the remote e-voting period and voting during the AGM.</li> <li>vi) Members can also download the NSDL Mobile App "NSDL Speed-e" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ul>



Individual Members holding equity shares in demat mode with CDSL	<p><b>A) Existing user who have opted for Electronic Access To Securities Information (“Easi / Easiest”) facility:</b></p> <ol style="list-style-type: none"> <li>Visit <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>Click on New System Myeasi Tab.</li> <li>Login to MyEasi option under quick login.</li> <li>Login with the registered user ID and password.</li> <li>Members will be able to view the e-voting Menu.</li> <li>The Menu will have links of KFinTech e-voting portal and will be redirected to the e-voting page of KFinTech to cast their vote without any further authentication.</li> </ol>
	<p><b>B) Users who have not opted for Easi/Easiest:</b></p> <ol style="list-style-type: none"> <li>Visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> for registering.</li> <li>Proceed to complete registration using the DP ID, Client ID (BO ID), etc.</li> <li>After successful registration, please follow the steps given in point no. 1 above to cast your vote.</li> </ol>
Individual Members (holding equity shares in demat mode) logging through their depository participants	<p><b>C) By visiting the e-voting website of CDSL:</b></p> <ol style="list-style-type: none"> <li>Visit <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>Provide demat Account Number and PAN</li> <li>System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account.</li> <li>After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, or select KFinTech.</li> <li>Members will be re-directed to the e-voting page of KFinTech to cast their vote without any further authentication.</li> </ol> <ol style="list-style-type: none"> <li>Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility.</li> <li>Once logged-in, Members will be able to view e-voting option.</li> <li>Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature.</li> <li>Click on options available against Company’s name or KFinTech.</li> <li>Members will be redirected to e-voting website of KFinTech for casting their vote during the remote e-voting period without any further authentication.</li> </ol>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Members holding equity shares in demat mode for any technical issues related to login through NSDL / CDSL:

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call on toll free number: 1800 1020 990 and 1800 224 430	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact on 022- 23058738 or 022-23058542-43

**(b) Login method for remote e-voting for Members other than Individual’s holding shares in demat mode and Members holding equity shares in physical mode.**

- Members whose email IDs are registered with the Company / Depository Participants, will receive an email from KFinTech which will include details of e-voting Event

Number (EVEN), USER ID and Password. They will have to follow the following process:

- Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>
- Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if a Member is registered with KFinTech for e-voting, they can use their existing User ID and password for casting the vote.
- After entering these details appropriately, click on “LOGIN”.
- Members will now reach password change Menu wherein they are required to mandatorily change the password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt the Member to change their password and update their contact details viz. mobile number, email ID etc. on first login. Members may also enter a secret question and answer of their choice to retrieve their password in case they forget it. It is strongly recommended that Members do not share their password with any other person and that they take utmost care to keep their password confidential.
- Members would need to login again with the new credentials.
- On successful login, the system will prompt the Member to select the “EVEN” i.e., 8070 and click on “Submit”
- On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, a Member may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed the total shareholding of the shareholder as on the cut-off date. A Member may also choose the option ABSTAIN. If a Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
- Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
- Voting has to be done for each item of the notice separately. In case a Member does not desire to cast their vote on any specific item, it will be treated as abstained.
- A Member may then cast their vote by selecting an appropriate option and click on “Submit”.
- A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once a Member has voted on the resolution (s), they will not be allowed to modify their vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

- Members whose email IDs are not registered with the Company/Depository Participants and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

- Members who have not registered their email address, thereby not being in receipt of the Annual Report, Notice of AGM and e-voting instructions, may temporarily get their email address and mobile number submitted with KFinTech by following the below steps:

Procedure for Registration of email and Mobile: securities in physical mode

Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated 16<sup>th</sup> March, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact

details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx>

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

- i) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or
- ii) Through hard copies which are self-attested, which can be shared on the address below; or

Name	KFIN TECHNOLOGIES LIMITED
Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032.

- (iii) Through electronic mode with e-sign by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx#>

Detailed FAQ can be found on the link: <https://ris.kfintech.com/faq.html>

- ii. Members are requested to follow the process as guided to capture the email address and mobile number for receiving the soft copy of the AGM Notice and e-voting instructions along with the User ID and Password. In case of any queries, Members may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) / [shares@bkt-tires.com](mailto:shares@bkt-tires.com).
- iii. Alternatively, Members may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) / [shares@bkt-tires.com](mailto:shares@bkt-tires.com) along with scanned copy of the request letter, duly signed, providing their email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
- iv. After receiving the e-voting instructions, please follow all the above steps to cast your vote by electronic means.
- v. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com> or call KFin on 1800 309 4001 (toll free).
- xii. Instructions for Members for attending the AGM:
  - i. Members will be able to attend the AGM through VC / OAVM platform provided by KFinTech. Members may access the same at <https://emeetings.kfintech.com> / by using the e-voting login credentials provided in the email received from the Company / KFinTech.
  - ii. After logging in, click on the Video Conference tab and select the EVEN of the Company.
  - iii. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that Members who do not have the user id and password for e-voting or have forgotten the same may retrieve them by following the remote e-voting instructions mentioned above.
- xii. Voting at the Annual General Meeting:
  - i. The 'Vote Now Thumb sign' on the left hand corner of the video screen shall be activated upon instructions of the Chairman during the AGM proceedings. Members shall click on the same to take them to the "Insta-poll" page and Members to click on the "Insta-poll" icon to reach the resolution page and follow the instructions to vote on the resolutions.
  - ii. Those Members who are present in the Meeting through VC and have not cast their vote on resolutions through remote e-voting, can vote through Insta-poll at the Meeting. Members who have already cast their votes by remote e-voting are eligible to attend the Meeting. However, those Members are not entitled to cast their vote again at the Meeting.
  - iii. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned above.
  - iv. Facility of joining the AGM through VC/OAVM shall be opened 30 (thirty) minutes before the time scheduled

for the AGM and shall be kept open throughout the proceedings of the AGM. This does not include large members/shareholders (members/ shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Statutory Auditors, etc. who are allowed to attend the AGM without any restrictions.

- v. Members will be allowed to attend the AGM through VC/OVAVM on first come first served basis.
- vi. Members will be required to allow "camera" and use internet with a good speed to avoid any disturbance during the meeting.
- vii. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid Glitches.
- viii. AGM Questions prior to e-AGM: Members who would like to express their views/ask questions during the meeting may log into <https://emeetings.kfintech.com> and click on "Post your Questions". Thereafter, the members may post their queries/views in the window provided by mentioning the name, demat account number/ folio number, email id, mobile number. "Post your Questions" link shall commence from Monday, the 15<sup>th</sup> July, 2024 at 9:00 a.m. IST and shall close on Tuesday, the 16<sup>th</sup> July, 2024 at 5.00 p.m. IST.
- ix. Speaker Registration during e-AGM session: Members who would like to express their views or ask questions during the AGM may register themselves by logging on to <https://emeetings.kfintech.com> and clicking on "Speaker Registration". You would have to mention the demat account number/folio number, city, email id, mobile number and then click on submit. The speaker registration shall commence on Monday, the 15<sup>th</sup> July, 2024 at 9:00 a.m. IST and shall close on Tuesday, the 16<sup>th</sup> July, 2024 at 5.00 p.m. IST.

The Company reserves the rights to restrict the number of speakers depending on availability of time for the AGM.

- x. Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.
- xiii. Contact details for addressing e-voting grievances:
 

Mr. Ganesh Chandra Patro, Assistant Vice President, M/s KFin Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032 Phone No.: + 91 40 67161630 Toll-free No.: 1800-572-4001 E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)/[shares@bkt-tires.com](mailto:shares@bkt-tires.com) .
23. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
24. The voting result declared along with the report of the Scrutinizer shall be placed on the website of the Company, viz., [www.bkt-tires.com](http://www.bkt-tires.com) and on the website of KFinTech <https://evoting.kfintech.com> immediately after the declaration of result by the Chairman or by a person duly authorised. The results shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.
25. Subject to receipt of requisite number of votes, the resolutions as stated in this Notice shall be deemed to have been passed on the date of the AGM i.e Friday, the 19<sup>th</sup> July, 2024.

By order of Board of Directors  
For Balkrishna Industries Limited

Vipul Shah  
Director & Company Secretary  
DIN: 05199526

Place : Mumbai  
Dated: 17<sup>th</sup> May, 2024



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

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

Item No. 4:

The Board of Directors of the Company at their meeting held on 17<sup>th</sup> May 2024, based on the recommendation of the Audit Committee, appointed M/s. RA & Co, the Cost Accountants (Firm Registration No.: 00242), as the Cost Auditors of the Company for the audit of the cost records maintained by the Company for the financial year ended 31<sup>st</sup> March, 2024 and year ending 31<sup>st</sup> March 2025, at a remuneration of ₹ 5,00,000 per annum plus applicable taxes and reimbursement of out-of-pocket expenses, incurred in connection with the Audit.

M/s. RA & Co, the Cost Accountants, have confirmed that they hold a valid certificate of practice under Section 6(1) of the Cost and Works Accountants Act, 1959 and are free from any disqualifications specified under the provisions of the Companies Act, 2013.

In terms of provisions of Section 148(3) of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, members' ratification is required for remuneration payable to the Cost Auditors.

Therefore, consent of the members of the Company is being sought for ratification of the remuneration payable to the Cost Auditors for the financial year ended 31<sup>st</sup> March, 2024 and financial year ending 31<sup>st</sup> March, 2025.

None of the Directors or Key Managerial Personnel or their relatives are in anyway concerned or interested in the resolution as set out in Item no. 4 of this Notice

The Board recommends the Resolution as set out at Item no. 4 of the AGM Notice to the Members of the Company for their consideration and approval, by way of Ordinary Resolution.

### PARTICULARS OF THE DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS

Name of the Director	Mrs. Vijaylaxmi Poddar
DIN	00160484
Qualification	B.Com
Date of Birth (Age)	2 <sup>nd</sup> December, 1960 (63 years)
Date of appointment on the Board	30 <sup>th</sup> May, 2012
Experience and Expertise	She is an industrialist having varied experience of over 31 years, in textile / tire industry.
No. of Meetings of the Board attended during the year	6 out of 6
List of Directorship/ Membership / Chairmanship of Committees of other Board	Directorship: (i) Clothing Culture Private Limited (ii) MPP Trading Private Limited (iii) Trendline Commercials Private Limited (iv) Poddar Brothers and Investment Private Limited (v) Oxemberg Clothing Private Limited Membership/Chairmanship of Committees of Other Board: NIL
No. of shares held in the Company	1000
Disclosure of relationship between Directors and Key Managerial Personnel of the Company	She is wife of Mr. Arvind Poddar and Mother of Mr. Rajiv Poddar. She is not related to any other director or Key Managerial Personnel of the Company
Terms & Conditions of appointment / re-appointment	The terms and conditions of appointment / re-appointment is as per the Nomination and Remuneration Policy of the Company, as amended from time to time.
Details of remuneration last drawn by such person for Financial Year 2023-24 (Sitting fees)	₹ 6.25 Lakhs
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Please refer to the Skills & Competency Matrix in the Corporate Governance Report and the details given in the Explanatory Statement

**62<sup>ND</sup>**  
**ANNUAL**  
**REPORT**  
**2023-24**

BALKRISHNA  
INDUSTRIES  
LIMITED

# FUTURE TRACK



**BKT**

GROWING TOGETHER



## CONTENTS

● Company Information.....	01
● Financial Highlights.....	02
● Directors' Report & Management Discussion and Analysis.....	03
● Business Responsibility and Sustainability Report (BRSR).....	27
● Corporate Governance Report.....	66
● Independent Auditor's Report on Financial Statements.....	84
● Balance Sheet.....	92
● Statement of Profit and Loss.....	93
● Statement of Changes in Equity.....	94
● Cash Flow Statement.....	95
● Notes to the Financial Statements.....	96
● Independent Auditor's Report on Consolidated Financial Statements.....	139
● Consolidated Balance Sheet.....	144
● Consolidated Statement of Profit and Loss.....	145
● Consolidated Statement of Changes in Equity.....	146
● Consolidated Cash Flow Statement.....	147
● Notes to the Consolidated Financial Statements.....	148

## COMPANY INFORMATION

### BOARD OF DIRECTORS:

#### Executive Directors:

Arvind Poddar	- Chairman & Managing Director
Rajiv Poddar	- Joint Managing Director
Vipul Shah	- Whole Time Director & Company Secretary

#### Non-Executive Directors:

Pannkaj Ghadiali	- Independent Director
Shruti Shah	- Independent Director
Laxmidas Merchant	- Independent Director
(w.e.f 28 <sup>th</sup> March, 2024)	
Rahul Dutt	- Independent Director
(w.e.f 28 <sup>th</sup> March, 2024)	
Vijaylaxmi Poddar	- Non-Independent Director
Sandeep Junnarkar	- Independent Director
(Upto 27 <sup>th</sup> March, 2024)	
Rajendra Hingwala	- Independent Director
(Upto 27 <sup>th</sup> March, 2024)	

### REGISTERED OFFICE:

B-66, MIDC, Waluj Industrial Area, Waluj,  
Chhatrapati Sambhaji Nagar 431 136 (Maharashtra)

### CORPORATE OFFICE:

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

### AUDITORS STATUTORY:

M/s. JAYANTILAL THAKKAR & CO.  
Chartered Accountants

### INTERNAL:

M/s. R T D & ASSOCIATES  
Chartered Accountants

### SECRETARIAL:

G.B.B. BABUJI  
Company Secretary in Whole-time Practice

### COST:

RA & Co.  
Cost Accountant

### BANKERS:

Standard Chartered Bank  
Kotak Mahindra Bank Limited  
Citi Bank N.A.  
The Hongkong and Shanghai Banking Corporation Limited  
ICICI Bank Limited  
SUMITOMO MITSUI Banking Corporation

### PLANTS:

#### Tire Manufacturing :

B-66, MIDC, Waluj Industrial Area, Waluj,  
Chhatrapati Sambhaji Nagar 431 136 (Maharashtra)

F 19/20, Gut No. 62, 65, 66, MIDC, Village Wadgaon,  
Kolhati, Waluj, Chhatrapati Sambhaji Nagar 431 136  
(Maharashtra)

SP-923, RIICO Industrial Area, Phase-III,  
P.O. Bhiwadi 301 019, District – Khairthal -Tijara (Rajasthan)

A-300-305 & E-306-313 RIICO Industrial Area,  
Chopanki P.O. Bhiwadi 301 707, District - Khairthal-Tijara  
(Rajasthan)

Bhuj Bhachau Road, S.H.No.42, Village Padhdhar,  
Taluka Bhuj 370 105, District - Kutch (Gujarat)

#### Carbon Black Manufacturing:

Bhuj Bhachau Road, S.H.No.42, Village Padhdhar,  
Taluka Bhuj 370 105, District - Kutch (Gujarat)

#### Wind Farm :

Village Soda Mada, Tehsil: Fatehgarh 345 027,  
District - Jaisalmer (Rajasthan)

#### Mould Manufacturing :

C-21, M.I.D.C, Phase No. I, Dombivli (E) 421 203,  
District - Thane (Maharashtra)

#### Drum Manufacturing :

Plot No. TS-1, MIDC Phase II, Opp. Don Bosco School,  
Manpada Road, Sagaon, Dombivli (E) 421204  
District - Thane (Maharashtra)

### REGISTRAR AND SHARE TRANSFER AGENT:

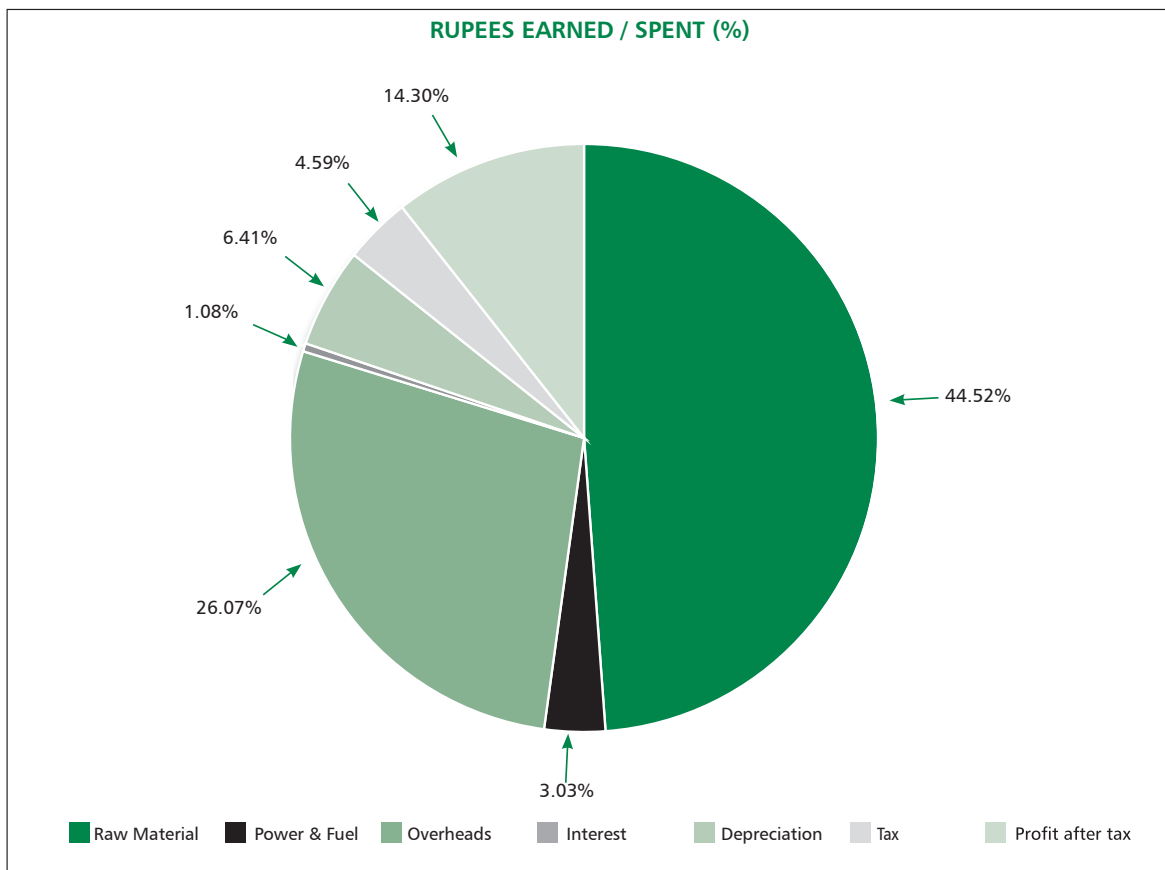
KFin Technologies Limited  
Selenium Tower B, Plot No. 31-32 Gachibowli, Financial  
District, Nanakramguda, Serilinganpally Mandal,  
Hyderabad – 500 032  
Toll free No.: 1- 800-309-4001  
Email Id: einward.ris@kfintech.com  
Website: [www.kfintech.com](http://www.kfintech.com)

**FINANCIAL HIGHLIGHTS (STANDALONE)**

(₹ in Lakhs)

Particulars	Ind AS				
	2024	2023	2022	2021	2020
Year ended 31 <sup>st</sup> March					
Revenue From Operations	9,29,870	9,81,052	8,26,671	5,75,792	4,78,249
Other Income	44,774	33,779	43,060	16,145	24,877
Total Income	9,74,644	10,14,831	8,69,731	5,91,937	5,03,126
PBIDT	2,65,180	2,05,342	2,40,610	1,94,696	1,49,812
PBDT	2,54,287	2,00,779	2,39,824	1,93,714	1,49,085
Depreciation	64,378	55,663	44,377	40,615	36,801
PBT	1,89,909	1,45,116	1,95,447	1,53,099	1,12,284
Taxes	46,148	37,245	54,378	37,561	17,786
PAT	1,43,761	1,07,871	1,41,069	1,15,538	94,498
Dividend	*800%	800%	1400%	850%	1000%
Earning per Share of ₹ 2 each	74.37	55.80	72.97	59.77	48.88

\*The Board has declared and paid 1<sup>st</sup> Interim Dividend of ₹ 4.00 per equity share, 2<sup>nd</sup> Interim Dividend of ₹ 4.00 per equity share and 3<sup>rd</sup> Interim Dividend of ₹ 4.00 per equity share, aggregating to ₹ 12.00 per equity shares and recommended Final Dividend of ₹ 4.00 per equity share for the financial year 2023-24, subject to approval of Shareholders in the ensuing Annual General Meeting.



## DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

Your directors are pleased to present the 62<sup>nd</sup> Annual Report of Balkrishna Industries Limited (the "Company") along with the audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2024. The consolidated performance of the Company and its subsidiaries for the year ended 31<sup>st</sup> March, 2024 has been referred to wherever required.

### 1. FINANCIAL RESULTS:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Current Year ended	Previous Year ended	Current Year ended	Previous Year ended
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Revenue from Operations	9,29,870	9,81,052	9,36,887	9,75,953
Other Income	44,774	33,779	44,922	34,653
<b>Total Income</b>	<b>9,74,644</b>	<b>10,14,831</b>	<b>9,81,809</b>	<b>10,10,606</b>
<b>Gross Profit</b>	<b>2,54,287</b>	<b>2,00,779</b>	<b>2,59,172</b>	<b>2,00,560</b>
Less: Depreciation	64,378	55,663	65,072	57,081
<b>Profit before tax</b>	<b>1,89,909</b>	<b>1,45,116</b>	<b>1,94,100</b>	<b>1,43,479</b>
Less: Provision for tax				
Current Tax	40,200	34,457	40,602	34,922
Income Tax of earlier years	-	225	503	225
Deferred Tax	5,948	2,563	5,846	2,592
<b>Profit after Tax</b>	<b>1,43,761</b>	<b>1,07,871</b>	<b>1,47,149</b>	<b>1,05,740</b>

### 2. INDUSTRY STRUCTURE AND DEVELOPMENT:

Your Company is one of the world's leading manufacture of "Off- Highway Tires". It has the widest product range with more than 3,200 SKU's (Stock Keeping Units). Your Company has made its mark in speciality segments like Agricultural, Mining, Construction, Industrial, Earthmover, Port, ATV (All-Terrain Vehicle), and Turf care applications in both cross ply and radial construction.

Your Company is always paying close attention when it comes to latest market trends as well as the technological developments.

While the global economic slowdown and ongoing conflict have created pressures on exports, it's encouraging to hear that we can see some signs of improvement. We expect demand to increase in the coming quarters, coupled with expectations of reduced inflation. Managing these factors effectively will be crucial for navigating through these challenging times.

### 3. OPERATIONS AND STATE OF AFFAIRS:

**Standalone:** During the year under consideration on Standalone basis, your Company achieved Revenue from Operations of ₹ 9,29,870 Lakhs as against ₹ 9,81,052 Lakhs during the previous financial year. EBITDA has increased to ₹ 2,65,180 Lakhs from ₹ 2,05,342 Lakhs during previous financial year and Net profit has increased to ₹ 1,43,761 Lakhs from ₹ 1,07,871 Lakhs during previous financial year. The revenue from exports is about 73%.

**Consolidated:** During the year under consideration on Consolidated basis, your Company achieved Revenue from operations ₹ 9,36,887 Lakhs as against ₹ 9,75,953 Lakhs during the previous financial year. EBITDA has increased to ₹ 2,70,459 Lakhs from ₹ 2,05,364 Lakhs during previous financial year, and Net profit has increased to ₹ 1,47,149 Lakhs from ₹ 1,05,740 Lakhs during previous financial year.

### 4. EXPORT HOUSE AND AUTHORISED ECONOMIC OPERATOR STATUS:

In accordance with provisions of Foreign Trade Policy, your Company continues to enjoy "the Five Star Export House" status w.e.f .September 2021. Your Company is also an Authorised Economic Operator (AEO) Tier III which helps your company in faster processing and clearance of cargo, deferred payment of duty, direct port delivery/entry and other benefits.

### 5. PROJECTS AND EXPANSION:

**Bhuj Plant:** The advanced carbon black project of 30,000 MTP and mould manufacturing facility at Bhuj is progressing well and is expected to be completed by H1 and Q1 of FY 2024-25 respectively.

## 6. DIVIDEND:

You are aware of the consistent track record of dividend payment by your Company over last three decades. In keeping with this trend, the Board of Directors are pleased to recommend a Final Dividend of ₹ 4 (200%) per equity share for the financial year 2023-2024. This is in addition to 3 interim dividends each of ₹4 (200%) per equity share aggregating to ₹12 (600%) per equity share. The aggregate dividend for the year thus works out to ₹16 (800%) per equity share. The final dividend is subject to approval of the Shareholders at the ensuing Annual General Meeting of the Company Scheduled to be held on 19<sup>th</sup> July, 2024. The final dividend once approved by Shareholders will be paid within the stipulated time after deduction of applicable tax at source. The Record Date for the purpose of payment of final dividend will be 6<sup>th</sup> July, 2024.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015"), the Dividend Distribution Policy can be accessed at the Company's website at: <https://www.bkt-tires.com/in/en/investors-desk>.

## 7. SHARE CAPITAL:

The paid-up Share Capital of the Company as on 31<sup>st</sup> March, 2024 remains unchanged at ₹ 3,866 Lakhs. The Company has neither issued shares with differential voting rights, nor granted stock options, nor sweat equity and none of the Directors of the Company hold any shares with differential voting rights or convertible instruments.

## 8. RESERVES:

The Company proposes to transfer ₹ 40,000 Lakhs to General Reserves.

## 9. OUTLOOK FOR THE FINANCIAL YEAR 2024-25:

Your Company is navigating through challenging global economic conditions but remains optimistic about growth opportunities, particularly in the "Off Highway Tire" segment. Some key points and considerations are as under:

- a. **Global Economic Slowdown and Risks:** The global economic slowdown, ongoing wars, and potential stagflation pose significant risks to various industries, including tire manufacturing. These factors can impact external demand, economic stability, and consumer confidence.
- b. **Increased Demand in Automobile Industry:** Despite the broader economic challenges, there has been a notable increase in demand for vehicles globally. This trend directly influences the demand for tires, presenting growth opportunities for your company.
- c. **Focus on Off Highway Tire Segment:** Your company is strategically focusing on the "Off Highway Tire" segment. This niche market can provide resilience against economic downturns affecting mainstream automotive sectors. It also suggests a targeted approach towards specific customer needs and market segments.
- d. **Strength in Research and Development:** Emphasizing your company's strength in research and development is crucial. This capability not only supports innovation but also enhances product differentiation and adaptation to market trends. It can be a competitive advantage in a dynamic industry landscape.
- e. **Infrastructure Investments:** The mention of the Carbon Black Plant and Captive Power Plant at Bhuj highlights strategic investments in infrastructure. These facilities are designed to hedge against energy costs and promote energy circularity, which is increasingly important in sustainable business practices.
- f. **Customer-Centric Approach:** Your company's commitment to a customer-centric approach underscores a focus on meeting evolving customer demands and enhancing satisfaction. This approach can contribute to maintaining or growing market share despite economic uncertainties.

In summary, while acknowledging the challenges posed by global economic conditions, your company appears well-positioned with a strategic focus on R&D, niche market segments like "Off Highway Tires," and investments in infrastructure and customer relationships. These elements collectively support the growth ambitions and resilience of your Company in a volatile market environment.

## 10. MATERIAL CHANGES AND COMMITMENTS:

In terms of Section 134(3)(l) of the Companies Act, 2013, there are no material changes and commitments affecting the financial position of your Company which have occurred between the close of the financial year of the Company on 31<sup>st</sup> March, 2024 to which the Financial Statements relate and up to the date of this report.

## 11. OPPORTUNITIES AND THREAT:

### Opportunities:

- a. **Segment Specialization in Large Varieties - Low Volume:**
  - Your Company operates in a segment characterized by a wide range of products but lower production volumes. This specialization allows you to cater to diverse needs and applications effectively.

**b. Market Leadership and Robust Product Portfolio:**

- Your Company's strong product portfolio has enabled gains in market leadership. This indicates a competitive edge in offering tailored solutions to various customer segments.

**c. Technological Stability and Demand Consistency:**

- The segment your Company operates in is stable in terms of technological obsolescence and demand fluctuations. This provides a more predictable business environment conducive to strategic planning and growth.

**d. Expansion into Niche Markets:**

- Initiatives like entering the Ultra Large Earthmovers & Mining Radial Tires market and transitioning from Bias to Radial Tires demonstrate proactive expansion into lucrative niche markets. This positions your Company to capitalize on evolving industry trends.

**e. Infrastructure and Capacity Expansion:**

- Setting up India's first Ultra Large size all-steel OTR Radial tire plant and expanding capacities reflect readiness to meet growing market demands, enhancing competitiveness and operational efficiency.

**Threats:****a. Competitive Pressures:**

- Competition within the industry poses a significant threat, affecting market share and pricing strategies. Continuous innovation and differentiation are crucial to mitigate this risk.

**b. Talent Management Issues:**

- Challenges such as talent attrition, employee retention, and labor disputes can impact operational continuity and efficiency. Effective human resource strategies are essential to address these issues.

**c. Raw Material Price Volatility and Availability:**

- Fluctuations in raw material prices and supply disruptions pose financial risks and operational challenges. Strategic sourcing and supply chain management are critical to mitigate these impacts.

**d. Economic Downturns and Market Demand:**

- Economic slowdowns, particularly in key markets like India and Europe, could lead to reduced demand and capacity utilization. This underscores the importance of diversification and resilience in market exposure.

**e. Geo-political and Regulatory Risks:**

- Geo-political uncertainties, regulatory changes, and volatile exchange rates can increase operational costs and affect profitability. Adapting to regulatory requirements and maintaining financial flexibility are essential for risk management.

In navigating these opportunities and threats, your Company's emphasis on innovation, market diversification, operational efficiency, and strategic investments in infrastructure and technology will be pivotal. Proactive management of risks, along with leveraging strengths in product differentiation and customer-centric approaches, will help sustain growth and competitiveness in the dynamic tire industry landscape.

**12. SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS & RETURN ON NET WORTH:**

As per Schedule V read with Regulation 34(3) of Listing Regulations, details of significant changes (i.e change of 25% or more as compared to the immediate previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company including explanations thereof are provided in Note No. 52 of Standalone and Note No. 54 of Consolidated financial statement respectively forming part of the Annual report.

**13. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:****Strengths in Internal Control and Governance:****a. Comprehensive Internal Control Framework:**

- Your Company emphasizes internal controls as a pillar of governance, providing a framework of checks and balances. This framework covers financial and operational functions, ensuring that transactions are properly authorized, recorded, and reported.

**b. Adherence to Policies and Procedures:**

- Your company has well-defined procedures, delegation of authority, and segregation of duties, which are essential for ensuring transparency and accountability in financial transactions.



**c. Integration of IT Policies and Processes:**

- IT policies and processes are robustly integrated to mitigate business risks. This includes implementing an ERP system supported by SAP software, ensuring credibility of data, compliance with regulations, and managing IT security risks.

**d. Continuous Improvement and Audit:**

- The company continuously improves its systems and processes through best practices, automation, and adoption of latest IT tools. Regular audits and reviews reinforce the effectiveness of internal controls.

**e. Cybersecurity and Data Privacy:**

- Recognizing the importance of cybersecurity, the company has adopted a Cyber Security and Data Privacy Policy. This safeguards IT assets and ensures responsible handling of personal and sensitive data in accordance with applicable laws.

**f. External Assessment and Audit Committee Review:**

- M/s. Deloitte Haskins & Sells LLP has been appointed to assess the effectiveness of internal financial controls. The Audit Committee reviews report from management and internal auditors, confirming the adequacy and effective operation of internal financial controls as of the assessment date.

**Limitations and Future Considerations:**

**a. Inherent Limitations of Internal Controls:**

- The company acknowledges that internal financial controls cannot provide absolute assurance due to inherent limitations. Changes in conditions or compliance may impact the effectiveness of controls over time.

**b. Risk Management and Compliance:**

- Managing risks associated with economic conditions, regulatory changes, and cybersecurity threats remains critical. Continuous adaptation and reinforcement of internal controls are necessary to mitigate these risks effectively.

**c. Future Adaptation and Enhancement:**

- As the business environment evolves, the company should remain proactive in adapting internal controls to new challenges and opportunities. This includes staying updated with regulatory requirements and technological advancements.

In conclusion, your company demonstrates a strong commitment to governance through its comprehensive internal control framework, IT integration, cybersecurity measures, and regular assessment processes. Moving forward, maintaining vigilance and agility in responding to emerging risks will be crucial for sustaining effective internal controls and ensuring long-term business resilience.

**14. HUMAN RESOURCES:**

Your Company places a strong emphasis on its human capital as a cornerstone of its business strategy. Here are the key highlights and insights regarding BKT's approach to human resources and organizational culture:

**Key Strengths and Approaches:**

**a. Employee-Centric Culture:**

- BKT prioritizes respect, empathy, and dignity for its employees. The company's culture focuses on creating conditions for growth and development, enhancing capabilities through engagement, learning, and continuous development opportunities.

**b. Talent Management and Development:**

- The company invests significantly in talent management, emphasizing continuous learning, upskilling, and re-skilling. This approach ensures that employees are equipped with the skills needed for BKT's specialty product range and are prepared for evolving business demands.

**c. Wellbeing and Work-Life Balance:**

- BKT places a strong emphasis on the physical and mental health of its employees. Programs such as health surveys, medical check-ups, wellness sessions, and support for work-life balance contribute to a harmonious and productive work environment.

**d. Engagement and Communication:**

- Effective communication channels and regular engagement activities, such as seminars, learning programs, and self-learning modules, foster a connected workforce. This helps in aligning employees with the company's vision and mission.

**e. Leadership and Management Example:**

- The management and leadership team not only establishes high-performance standards but also exemplifies the company's values and practices. They play a crucial role in creating a culture of trust, mutual respect, and continuous improvement.

**f. Industrial Relations and Employee Satisfaction:**

- BKT maintains cordial industrial relations across its plants, emphasizing trust, respect, and dignity in all interactions between workers and managers. This approach contributes to a positive work environment and organizational success.

**g. Recognition and Career Development:**

- The company believes in rewarding and recognizing its workforce through accelerated career paths and ensuring employees feel valued and motivated. This supports a high-performance culture and employee satisfaction.

**Challenges and Future Considerations:****a. Sustaining Culture Amid Growth:**

- As BKT grows, maintaining its strong employee-centric culture across diverse locations and increasing workforce will be crucial. Ensuring consistency in practices and values will be essential.

**b. Adapting to Changing Workforce Dynamics:**

- With a focus on young talent and succession planning, BKT needs to continuously adapt its talent management strategies to attract, retain, and develop top talent amidst industry competition.

**c. Economic and Industry Challenges:**

- External factors such as economic fluctuations and industry challenges may impact workforce dynamics and operational efficiency. BKT should remain agile in responding to these challenges while preserving its employee-centric approach.

In conclusion, BKT's commitment to its employees as invaluable assets, coupled with a strong culture of respect, engagement, and development, positions it well for sustained growth and success. By nurturing talent, prioritizing wellbeing, and maintaining strong industrial relations, BKT creates a conducive environment for both employee satisfaction and organizational performance.

**15. SUBSIDIARY COMPANIES:**

At the end of the year under review, the Company had one Domestic and four Overseas Wholly Owned Subsidiary Companies (WOS). The domestic WOS is known as BKT Tires Limited and the Overseas WOS are BKT EUROPE S.R.L., BKT USA INC, BKT TIRES (CANADA) INC., BKT TIRES INC. The Company does not have any material subsidiary as per the thresholds laid down under the Listing Regulations, 2015 A policy on material subsidiaries has been formulated by the Company and posted on the website of the Company and can be accessed at: <https://www.bkt-tires.com/www/us/investors-desk>.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial position of subsidiary companies in Form AOC-1 attached as **Annexure I**.

**Update on Merger:**

- A. BKT Tires Inc has been merged with BKT Exim US, Inc for simplification and ease of regulatory compliance and the name of the surviving Company has been changed to BKT Tires Inc.
- B. **Merger of BKT Tyres Limited with Balkrishna Industries Limited.**

Your Directors at their meeting held on 24<sup>th</sup> January, 2024 has approved the Scheme of Amalgamation of BKT Tyres Limited with Balkrishna Industries Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Company has already filed the Company Application before the Hon'ble National Company Law Tribunal.

**16. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 (3)(c) and 134(5) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief, make the following statements that:

- (i) that in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2024, the applicable accounting standards have been followed and there are no material departures from the same;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2024 and the Statement of Profit and Loss of the Company for the financial year ended 31<sup>st</sup> March, 2024;
- (iii) the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts of the Company on a "Going Concern" basis;

- (v) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that systems are adequate and operating effectively.

**17. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

All contracts /arrangements / transactions entered by the Company during the financial year with related parties were in ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contracts /arrangements / transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in **Form AOC - 2** is not applicable to your Company.

The Policy on materiality of related party transactions and dealing with related party transactions are approved by the Board and can be accessed on the Company's website at <https://www.bkt-tires.com/www/us/investors-desk>. The details of transactions / contracts / arrangements entered by the Company with related parties during the financial year are set out in the notes to the Financial Statement.

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

**18. CORPORATE SOCIAL RESPONSIBILITY:**

The Company's social initiatives empower society at a large and provide a holistic growth platform. The Company believes that Corporate Social Responsibility (CSR) projects undertaken by it should be sustainable with the long-term purpose of improving the quality of livelihood of the less privileged. The funds on CSR projects / activities are spent very carefully to ensure that the desired objectives are achieved. CSR activities has been segregated as to have a reach in different areas such as promoting education, improving healthcare, sustainability, rural development.

The Board of Directors of the Company has approved a Corporate Social Responsibility (CSR) Policy based on the recommendation of the CSR Committee. The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-II**. The Board of Directors has formed a committee on CSR in accordance with the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee, number and dates of meetings held, composition and attendance of the Directors during the financial year ended 31<sup>st</sup> March, 2024 are given separately in the Corporate Governance Report. During FY 2022-23, the Company had spent excess CSR amount of ₹ 0.07 Lakhs. During the year under review, the Company was required to spend ₹ 3,133.51 Lakhs and considering the past excess CSR amount the Company was required to spend ₹ 3,133.45 Lakhs during FY 2023-24. The Company had identified various CSR projects having a total commitment of ₹ 3,406.52 Lakhs. The company has spent ₹ 3,406.52 lakhs for FY 2023-24, hence Company has spent excess amount exceeding ₹ 273.07 Lakhs for 2023-24. In terms of Amendment to Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (the CSR Rules 2021") effective from 22<sup>nd</sup> January, 2021, the Company in FY 2021-22 had identified Ongoing Project upto ₹ 75 lakhs of which Company had spent ₹ 72 lakhs till 31<sup>st</sup> March, 2022 and had deposited ₹ 3 lakhs in separate Bank account opened with a Scheduled Bank in Compliance with CSR Rules 2021 and out of ₹ 3 lakhs, Company had spent ₹ 1.5 lakhs towards ongoing Project in FY 2022-23 and has spent remaining ₹ 1.5 lakhs in FY 2023-24 in Compliance with CSR Rules 2021.

The CSR policy of the Company is available on the Company's website and can be accessed at: <https://www.bkt-tires.com/in/en/investors-desk>.

**19. RISKS RELATED TO BUSINESS:**

Risk is an integral and unavoidable component of business. BKT's nature and scale of the business operations calls for a robust risk mechanism framework to deal with impacts of external and internal environment. In today's challenging and competitive environment, mitigating risks is imperative. The key risks include volatile commodity prices, talent attrition, growing demand of customers, cybersecurity risks, etc. Common risks include changing regulations, competition, business risk, technology obsolescence, investments. Business risk, inter alia, further includes financial risk, social risk, political risk, environmental risk and legal risk. These ranges of risks have been meticulously addressed through a comprehensive risk management process. For managing risks more efficiently, the Company has undertaken a detailed risk management exercise and has identified key risks that can have a critical impact on the Company's performance. Risks, once identified, are periodically monitored, along with emerging risks on the dual scale of impact of probability. The Company has inter alia identified the following key risks:

**Operational Risk:**

Operational risks like equipment obsolescence can impact production. To mitigate such risks, the Company continuously monitors equipment obsolescence and upgrades equipment from time to time and undertakes preventive maintenance measures. The Company has also made significant investment in equipment modernisation.

The Company's major raw material is Natural and Synthetic Rubber, Carbon Black and Nylon fabric. Due to the high demand of all the major raw materials and shutting down of some raw material manufacturers, the prices and the supply have been adversely affected. In view of this we have experienced that an increase in cost gets set off by an increase in prices over a period of time.

**Market Risk:**

Your Company manages market risk by expanding its presence in different markets, deeper penetration into existing markets and by launching new products. Furthermore, the Company spends requisite amount on marketing and promotional activities to ensure customer retention and brand-building. Company has also invested in building larger network of distributors and dealers across the market to avoid the risk in case of fluctuations in market.

**Talent Attrition and 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.

Additionally, the manufacturing process of the Company is labour intensive, it requires lot of skilled as well as un-skilled workers. Maintaining a huge work force is a challenging task. In order to mitigate the said risk, the Company follows good HR practices to promote the welfare and safety of its workmen and maintain a cordial working environment. All workers are paid more than government stipulated wages and company provides various opportunities to its employees for career development.

**Currency Fluctuation:**

The Company revenues are mainly through exports. Further, since most of the raw materials and capital equipment are imported, the Company is exposed to foreign currency risk. However, it enjoys natural hedge as most of its revenues are in foreign currency. However, since, the Company is a net foreign exchange earner and hedges most of its net exposure in advance by way of forward contracts, it is immune to a large extent from the fluctuation in currencies.

**Cyber Security / Technology Risk:**

Due to growing digitalisation the company is exposed to vulnerability to cyber-attacks. To mitigate such risks your company has implemented policies and procedure for Cyber Security and data privacy. Also, adaptation of Security operations control and technologies to safeguard IT data and applications. Focus is also maintained on mandatory employee training on cybersecurity awareness.

Hazard risks arise from property loss or business interruption, shortcomings or failures in employee safety or environmental management systems.

**Climate Risk:**

Assessing climate change risks is essential for our company to manage potential impacts and capitalize on emerging opportunities proactively. Understanding the physical, transition, and supply chain risks associated with climate change, we can develop robust strategies to enhance our resilience, ensure business continuity, and contribute to a more sustainable future. Hence, we are in the process of undertaking a comprehensive assessment to outline the critical climate change risks specific to our business and propose strategies to build resilience and sustainability.

This comprehensive assessment will serve as a foundational guide for integrating climate change considerations into our business strategy, fostering innovation, and ensuring our company's long-term success in an evolving global landscape.

**RISK MANAGEMENT AND MITIGATION:**

'Risk Management' is the identification, assessment, and prioritisation of risks followed by coordinated and economical application of resources to minimise, monitor and control the probability and/or impact of uncertain events or to maximise the realisation of opportunities. Risk management also provides a system for the setting of priorities when there are competing demands on limited resources. Risk management also attempts to identify and manage threats that could severely impact or bring down the organisation. With an endeavor to augment the risk mitigation efforts, your Company has formulated and implemented a detailed Business Continuity Plan during the year. An overarching coverage of the same is also available on the company's website.

The Company's Board of Directors has an overall responsibility for the establishment and overseeing of the Company risk management framework. Pursuant to Regulation 21 of Listing Regulations, 2015 Risk Management Committee was constituted comprising of Mr. Pannkaj Ghadiali, an Independent Director as Chairman of the Committee, Mr. Arvind Poddar and Mr. Vipul Shah, Directors of the Company are members of the Committee. The primary objective of the Committee is to control the various risks that the Company is exposed to, with a view to prevent unacceptable losses, to provide an effective means of identifying, measuring and monitoring credit exposure risks by the Company and to keep such risk at or below predetermined levels. The Company has framed an Enterprise Risk Management Policy (the "Policy") to realise the following benefits for the Company:

- a. Augment risk management for the organization including strategy setting.
- b. Facilitate risk-based decision making.
- c. Improve governance and accountability.
- d. Enhance credibility with key stakeholders such as investors, employees, government, regulators, society, etc.
- e. Create, protect and enrich stakeholder value.

The policy contains the objectives of risk management, company's approach to risk management and the risk organization structure for identification, management and reporting of risks. The policy specifies the roles and responsibilities of key stakeholders and other key personnel of the Company with regards to risk management. The policy also aims to ensure and identify process of risk identification and management in compliance with the provisions of the Companies Act, 2013.

Following objectives are achieved through the Risk Management program of the Company viz:

- a. Enable organizational sustainability taking cognizance of the impact of its products, services & operations on society and the environment
- b. Reduce potential gaps in achieving company's objectives
- c. Align and integrate existing risk management practices in the organization
- d. Build confidence of investment community and stakeholders
- e. Enhance Corporate Governance
- f. Successfully respond to changing business environment

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's Activities.

The Company has exercised Statutory Safety, Occupational Health and Environmental, Fire Safety, Electrical Safety Audits. For the year under review, your Company achieved substantial improvements in the results of Safety index and Fire Safety index by adopting new initiatives. Focused drive was taken on critical processes and operations.

Rising awareness in the supplier community was initiated to encourage their consultation and participation in order to enable them to overcome current and future business risks.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit Committee.

There are no risks, which in the opinion of the Board threaten the existence of the Company.

## 20. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Your Directors are pleased to inform that based on the recommendations of the Nomination and Remuneration Committee as well as Board of Directors, the Shareholders by passing Ordinary resolution through Postal Ballot dated 29<sup>th</sup> December, 2023 have re-appointed Mr. Rajiv Poddar, as Joint Managing Director of the Company for a period of further five years with effect from 22<sup>nd</sup> January, 2024 and Mrs. Shruti Shah has been reappointed for a second term of five years from 8<sup>th</sup> February, 2024 to 7<sup>th</sup> February, 2029 which was approved by the Members by way of Special Resolution on 29<sup>th</sup> December, 2023 (via Postal Ballot). During the year, Mr. Sandeep Junnarkar (DIN:00003534) and Mr. Rajendra Hingwala (DIN:00160602) ceased to be a Director of the Company with effect from 28<sup>th</sup> March, 2024 upon completion of their term as an Independent Director. Your Directors place on record their appreciation of the guidance given and services rendered by Mr. Sandeep Junnarkar and Mr. Rajendra Hingwala during their tenure as Independent Director of the Company.

During the year under review, based on the recommendations of the Nomination and Remuneration Committee, the Board had appointed two New Directors Mr. Laxmidas Merchant (DIN: 00007722) and Mr. Rahul Dutt (DIN: 08872616) as an Director (Non-Executive, Independent) of the Company w.e.f 28<sup>th</sup> March, 2024 by passing special resolution through Postal Ballot dated 29<sup>th</sup> December, 2023.

Mrs. Vijaylaxmi Poddar (DIN 00160484) retires by rotation and being eligible, offers herself for re-appointment. A resolution seeking Shareholders' approval for her re-appointment along with other required details forms part of the Notice.

The Company has received declaration from all Independent Directors of the Company confirming that they meet with the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 as well as Regulation 16(1)(b) of the Listing Regulations, 2015.

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirement set out by the SEBI. The Company has complied with the requirements of Corporate Governance as stipulated under the Listing Regulations, 2015 and accordingly, the Report on Corporate Governance forms part of this Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of the Corporate Governance is attached to the Report on Corporate Governance.

## 21. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company has devised the Nomination and Remuneration Policy for the selection, appointment and remuneration of Directors, Key Managerial Personnel and remuneration of other employees including senior management employees who have the capacity and ability to lead the Company towards achieving sustainable development. The extract of Nomination and Remuneration Policy is provided in the Corporate Governance Report and forms part of the Board's Report.

The Criteria for appointment and remuneration of Directors is as under:

- (i) Criteria for Appointment of Managing Director / Whole Time Director/ Director:  
The Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise and experience particularly in Tire Industry, leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.
- (ii) Criteria for Appointment of Independent Director:  
The Independent Director shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

**22. PERFORMANCE EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to applicable provisions of the Act and the corporate governance requirements as prescribed by applicable regulations of Listing Regulations 2015.

The Board as a whole functions cohesively. The Committees function well in their respective areas, and the recommendations of the Committees are considered and have been accepted by the Board. The Directors bring to the table their knowledge and experience. Independent Directors are rated high in understanding your Company's business and expressing their views freely during deliberations. The Non-Executive Directors score well in all aspects. Executive Directors are action-oriented and good in implementing Board decisions. The Chairman leads the Board effectively and encourages active participation and contribution from all the Board members.

The performance of the Board was evaluated after seeking inputs from all the Directors present in the meeting based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The Nomination and Remuneration Committee had evaluated the performance of individual Directors based on criteria such as the contribution of the individual Director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Performance evaluation of Independent Directors was carried out by the entire board. A meeting of the Independent Director for the 2023-24, with Mr. Pannkaj Ghadiali as the Chairman, was held on 19<sup>th</sup> March, 2024, to review the performance of the Non-Independent Directors, the Board as a whole and the Chairman on the parameters of effectiveness and to assess the quality, quantity and timeliness of the flow of information between the Management and the Board. The same were discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the board, its committees, and individual Directors were also discussed. The Directors expressed their satisfaction with the evaluation process.

**23. AUDITORS:****Statutory Auditor:**

Pursuant to Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the members of the Company at its AGM held on 7<sup>th</sup> July, 2022 had approved the appointment of M/s Jayantilal Thakkar & Co. (Firm Registration Number 104133W) as the Statutory Auditors for a period of 5 (five) consecutive financial years from the conclusion of 60<sup>th</sup> AGM till the conclusion of the 65<sup>th</sup> AGM. Pursuant to amendments in section 139 of the Companies Act, 2013, the requirements to place the matter relating to such appointment for ratification by members at every AGM, is not required. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report do not contain any qualification, reservation, adverse remark or disclaimer.

**Internal Auditor:**

The Board has appointed M/s. RTD & Associates, Chartered Accountants as Internal Auditors for a period of 1 (One) year for Financial Year 2024-25 under Section 138 of the Companies Act, 2013 and they have completed the Internal Audit as per the scope as defined by the Audit Committee.

**Secretarial Auditor:**

The Company has appointed Mr. G.B.B Babuji, Company Secretary in Whole Time Practice, to conduct Secretarial Audit for the financial year 2024-25 as required by Section 204 of the Companies Act, 2013 and rules made thereunder. The Company provided all assistance and facilities to the Secretarial Auditors for conducting their audit. Further, pursuant to SEBI Circular CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019, Mr. G.B.B Babuji, has also conducted the Annual Secretarial Compliance. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2024 is annexed herewith marked as **Annexure – III**.

**Cost Auditor:**

Your Company is required to make and maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Act. Accordingly, your Company has been making and maintaining such cost records as per the requirements. The cost records are maintained in such manner which enable the Company to exercise, to the extent possible, control over the various operating costs to achieve optimum economies in utilization of resources.

During the year, Company's revenue from exports, in foreign exchange, does not exceeds 75% per cent of the Company's total revenue and pursuant to Rule 4 of Cost Records Rules of Companies Act, 2013 as amended from time to time, Cost Audit is applicable to the Company for the financial year 2023-24.

In terms of Section 148 of the Act read with Companies (Cost Records and Audits) Rules, 2014, the Audit Committee recommended and the Board of Directors appointed M/s. RA and Co., Cost Accountants (Registration No. 000242) being eligible, as Cost Auditors of the Company, to carry out the cost audit of products manufactured by the Company in relation to the financial year ending 31<sup>st</sup> March 2024. Your Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and Rules framed thereunder. The Cost Auditor have confirmed that their appointment is within the limits of section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under section 141(3) and proviso to section 148(3) read with section 141(4) of the Companies Act, 2013. The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company. The

remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of the Audit Committee. As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. In terms of the Act and Rules thereunder requisite resolution for ratification of remuneration of the Cost Auditors by the members has been set out in the Notice of the 62nd AGM of your Company. In the opinion of the Directors, considering the limited scope of audit, the proposed remuneration payable to the Cost Auditors would be reasonable and fair and commensurate with the scope of work carried out by them.

**24. AUDITOR'S QUALIFICATION:**

There are no qualifications in the reports of the Statutory Auditors and Secretarial Auditor. There was no instance of fraud during the year under review, which is required to be reported by Statutory Auditors in their reports as mentioned under sub-section (12) of Section 143 of the Act.

**25. INDUSTRIAL RELATIONS:**

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

**26. CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There is no change in the nature of business of your Company during the year under review.

**27. DISCLOSURES:**

**i. Vigil Mechanism /Whistle Blower Policy:**

The Vigil Mechanism of the Company which also incorporate a whistle blower policy in the terms of SEBI (Listing Obligations and Disclosure Requirements), 2015 deals with instances of fraud and mismanagement, if any. Adequate safeguards have been provided against victimization of persons who use the vigil mechanism. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at: <https://www.bkt-tires.com/ww/us/investors-desk>.

**ii. Audit Committee:**

During the year, Mr. Sandeep Junnarkar (DIN:00003534) and Mr. Rajendra Hingwala (DIN:00160602) has completed their tenure as Independent Director of the Company and accordingly, the Audit Committee was reconstituted with Mr. Pannkaj Ghadiali an Independent Director as Chairman, Mrs. Shruti Shah, Mr. Laxmidas Merchant, Mr. Rahul Dutt Independent Directors as the members.

All the recommendations made by the Audit Committee have been accepted by the Board. All the members have relevant experience in financial matters.

**iii. Number of Board Meetings:**

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

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

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient are provided in Note Nos. 5,10,14, 46 and 48 to the financial statement forming part of this Annual Report.

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

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

**vi. Annual Return:**

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 may be accessed on the Company's website at: <https://www.bkt-tires.com/ww/us/investors-desk>.

**vii. Particulars of Employees and related disclosures:**

The information required under Section 197(12) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure - V**.

A statement comprising the names of top 10 employees in terms of remuneration drawn and every person employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in the Report.

However, having regard to the provisions of the first proviso to Section 136 of the Act, the details are excluded in the report sent to members. Members who are interested in obtaining the particulars may write to the Company Secretary at registered/corporate office of the Company. The aforesaid information is available for inspection 21 days before and up to the date of the ensuing AGM during the business hours on working days.

**viii. Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:**

The Company has formulated and implemented a policy of prevention of sexual harassment at the workplace with mechanism of lodging/redressal complaints. During the year under review, there were no complaints reported to the Board.

**ix. Business Responsibility and Sustainability Committee Report:**

Your Company does business that delivers long-term shareholder value and benefits the society. Your Company continue to focus on its commitments which are aligned with national priorities and United Nations Sustainability Development Goals.

With regard to sustainability, various initiatives being taken under the ambit of Environment, Social and Governance ('ESG') are more particularly described under the relevant sections as reported in this Annual Report as well as the Business Responsibility and Sustainability Report.

In terms of Regulation 34 of the Listing Regulations, 2015 read with relevant SEBI Circulars, new reporting requirements on ESG parameters were prescribed under "Business Responsibility and Sustainability Report" ('BRSR'). The BRSR seeks disclosure on the performance of the Company against nine principles of the "National Guidelines on Responsible Business Conduct" ('NGRBCs'). Accordingly, for the financial year ended 31<sup>st</sup> March, 2024, your Company is publishing Business Responsibility Report. BRSR describes the initiatives taken by the Company from an environmental, social and governance perspective, in the prescribed form is annexed as **Annexure – VI** and forms an integral part of the Annual Report.

**x. Compliance with the Institute of Company Secretaries of India ("ICSI") Secretarial Standards:**

The relevant Secretarial Standards issued by the ICSI related to the Board Meetings and General Meeting have been complied with by the Company.

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

- a. Details relating to deposit and unclaimed deposits or interest thereon.
- b. Issue of equity shares with differential rights as to dividend or voting.
- c. Issue of shares (including sweat equity shares) and Employee Stock Option Scheme of the Company under any scheme.
- d. None of the managerial personnel i.e. Managing Director, Joint Managing Director and Whole-time Director of the Company are in receipt of remuneration / commission from Subsidiary Companies of the Company.
- e. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern and Company's operation in future.

**xi. IBC Code & One-time Settlement:**

There is no proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (IBC Code). There has not been any instance of one-time settlement of the Company with any bank or financial institution.

**28. CAUTIONARY STATEMENTS:**

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

**29. APPRECIATION:**

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas as well as the efficient utilization of the Company's resources for sustainable and profitable growth.

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Board of Directors also wish to place on record its deep sense of appreciation for the dedicated and committed services by the Company's executives, staff and workers.

Last but not the 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**

Place: Mumbai  
Dated : 17<sup>th</sup> May, 2024

**ARVIND PODDAR**  
Chairman & Managing Director  
DIN: 00089984



## Annexure - I

### FORM AOC-1

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

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

#### Part "A": Subsidiaries

Sr. No.	Particulars	1	2	3	4	5
		(₹ in Lakhs)				
1.	Name of the Subsidiary	BKT TYRES LIMITED	BKT TIRES INC	BKT EUROPE S.R.L.	BKT USA INC	BKT TIRES (CANADA) INC
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period of the above subsidiaries is the same as that of the Company i.e. 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024.				
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. #	INR	USD	EURO	USD	CAD
4.	Share Capital	60.00	36.59	13.21	0.70	2.68
5.	Reserves & Surplus	(3.77)	653.28	1880.22	1553.02	175.89
6.	Total Assets	56.48	8825.31	21087.18	2152.12	333.52
7.	Total Liabilities	0.26	8135.44	19193.74	598.40	154.95
8.	Investment	NIL	NIL	NIL	NIL	NIL
9.	Turnover (include other income)	NIL	14617.92	42585.64	5448.02	1558.03
10.	Profit/ (Loss) Before Taxation	(2.11)	(180.06)	1772.39	313.24	106.44
11.	Provision for Taxation *	NIL	(106.92)	825.08	63.74	20.58
12.	Profit/(Loss) After Taxation	(2.11)	(73.14)	947.31	249.50	85.86
13.	Proposed Dividend	NIL	NIL	NIL	NIL	NIL
14.	% of Shareholding	100%	100%	100%	100%	100%

**Notes:**
**#Exchange Rate**

1 EURO = ₹ 90.2178      1 USD = ₹ 83.3739      1 CAD = ₹ 61.5227

- Provision for taxation includes Deferred tax and taxation of earlier year if any.

**Part B** of the Annexure is not applicable as there is no associate companies/joint venture of the Company as on 31<sup>st</sup> March, 2024.

#### For and on behalf of the Board of Directors

Place : Mumbai	<b>MADHUSUDAN BAJAJ</b>	<b>ARVIND PODDAR</b>	Chairman & Managing Director
Dated: 17 <sup>th</sup> May, 2024	Senior President (Commercial) & CFO	<b>RAJIV PODDAR</b>	Joint Managing Director
		<b>VIPUL SHAH</b>	Director & Company Secretary

## ANNEXURE-II

### Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2023-24

Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014

- Brief outline on CSR Policy of the Company.

Corporate Social Responsibility (CSR) forms an important part of the Company's overall philosophy of giving back to the Society. The CSR vision of the Company is "Promotion of Education, Health and Rural Development".

The Company commits itself to creating a more equitable and inclusive society by supporting processes that lead to sustainable transformation and rural development. The Company either by itself or through vibrant and innovative partnerships with the Government, NGO's and Other Organisations, promotes education and healthcare for all vulnerable sections of society and also undertake rural development initiatives.

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

During the year under consideration, the Company has supported various projects in the field of healthcare, education and rural development. The key projects undertaken by the Company across different location inter alia include the following-

- Supporting various hospitals in expansion of their infrastructure to support medical treatment of approximately 50,000 patients in Maharashtra;
- Supporting schools and Educational institutions for wholistic and inclusive education to around 500 students and 65 plus teaching staff in Mumbai;
- Providing Mid-day meal to around 28000 children in various schools in Bhuj;
- Supporting Capex of a central kitchen for mid-day meal in Bhuj having a capacity to serve 50,000 children;
- Various rural development activities in and around Bhuj to support the local community near the factory premises.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Vijaylaxmi Poddar	Chairperson	4	4
2	Mr. Rajiv Poddar	Member	4	4
3	Mr. Vipul Shah	Member	4	4
4	Mrs. Shruti Shah	Member	4	4

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

Composition of CSR Committee:

[https://www.bkt-tires.com/downloads/4118/1087/Composition\\_of\\_Committees\\_of\\_Board\\_w.e.f\\_28.3.2024.pdf](https://www.bkt-tires.com/downloads/4118/1087/Composition_of_Committees_of_Board_w.e.f_28.3.2024.pdf)

CSR Policy:

<https://www.bkt-tires.com/downloads/3860/1091/BIL%20Corporate%20Social%20Responsibility%20Policy.pdf>

CSR projects approved by the board:

[https://www.bkt-tires.com/downloads/15034/12232/BIL\\_Corporate\\_Social\\_Responsibility\\_-\\_Projects\\_and\\_Impact\\_Assesment\\_Report\\_2023-24.pdf](https://www.bkt-tires.com/downloads/15034/12232/BIL_Corporate_Social_Responsibility_-_Projects_and_Impact_Assesment_Report_2023-24.pdf)

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

The Company appointed Independent Agency M/s. KPMG to undertake impact assessment for eligible CSR projects undertaken during the previous financial years.

The Company has done impact assessment of the projects to understand the benefit of the overall society as a whole, in the areas of Healthcare, Education and Rural development.

For further details the, Impact Assessment report for CSR Projects is enclosed as Annexure II(i). The Web link for Impact Assessment report of CSR Projects :

[https://www.bkt-tires.com/downloads/15034/12232/BIL\\_Corporate\\_Social\\_Responsibility\\_-\\_Projects\\_and\\_Impact\\_Assesment\\_Report\\_2023-24.pdf](https://www.bkt-tires.com/downloads/15034/12232/BIL_Corporate_Social_Responsibility_-_Projects_and_Impact_Assesment_Report_2023-24.pdf)

5	(a)	Average net profit of the company as per sub-section (5) of section 135.	₹ 1,56,675.65 Lakhs
	(b)	Two percent of average net profit of the company as per sub-section (5) of section 135.	₹ 3,133.51 Lakhs
	(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Not applicable
	(d)	Amount required to be set-off for the financial year, if any.	₹ 0.07 Lakhs
	(e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	₹ 3,133.45 Lakhs
6	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	₹ 3,406.52 Lakhs
	(b)	Amount spent in Administrative overheads	NIL
	(c)	Amount spent on Impact Assessment, if applicable	NIL
	(d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	₹ 3,406.52 Lakhs
	(e)	CSR amount spent or unspent for the Financial Year	

Total Amount Spent for the Financial Year (in ₹).	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
₹ 3,406.52 Lakhs	NIL	Not Applicable	NIL	NIL	Not Applicable

(f) Excess amount for set off, if any: ₹ 273.07 Lakhs

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	₹ 3,133.51 Lakhs
(ii)	Total amount spent for the Financial Year	₹ 3,406.52 Lakhs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	*₹ 273.07 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	*₹ 273.07 Lakhs

\*During the year 2022-23, the Company has spent excess amount of ₹ 0.07 Lakhs which has been set off against CSR to be spent the financial year 2023-24, hence CSR to be spent after considering excess amount is ₹ 3133.45 Lakhs and hence amount available for set off in succeeding financial year is ₹ 273.07 Lakhs.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer	
NIL							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Y/N: Yes

If Yes, enter the number of Capital assets created/ acquired: 12

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

(₹ In Lakhs)

Sl. No.	Short particulars of the property or asset(s)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
	[including complete address and location of the property]				CSR Registration Number, if applicable	Name	Registered address
1	Contribution for Minibus to facilitate free bus service to poor patients. Address: Commerce College Road Sidde, Ravalwadi Relocation Site, Bhuj-Kutch (Gujarat)-370001	Bhuj-Kutch 370001, Gujarat	27 <sup>th</sup> March, 2024	17.00	CSR00009966	LNM Group Lions Hospital and Research Centre, Bhuj	Rawalwadi Relocation site no 1, Bhuj, Kutch, Bhuj-370001
2	Contribution for School bus for 125 students, parents, staff. Contribution for Therapy equipment's for Vocational training for 130 students Address: Dhanvantri School, C-10, Mundra Relocation, Near Pramukh Swami Char Rasta, Bhuj-Kutch (Gujarat)-370001	Bhuj-Kutch 370001, Gujarat	14 <sup>th</sup> February, 2024	28.63	CSR00007706	The Child Welfare Trust, Bhuj	Varsani Children's Centre, OPP. G K General Hospital, Kutch, Bhuj -370001(Gujarat)
3	Construction of two class room in school and provided transport facilities. Address: Sapna Shikshalaya , primary section , ground floor at village Bala Dehra Dist Alwar -301023 Rajasthan	Alwar -301023 Rajasthan	9 <sup>th</sup> January, 2024	10.00	CSR00000235	Sapna , New Delhi	Flat No 8086, Pocket, D-8,Vasant Kunj, New Delhi-110070
4	Expansion of the hospital infrastructure, to build an additional floor (3rd floor) which will host 4 General Wards comprising of 120-beds, OPD for Super Specialists, ICU for Neurology, Multi-purpose hall and additional admin infrastructure. Address: Dr Hedgewar Hospital Campus, Gharkheda, Aurangabad-431009 Maharashtra	Aurangabad-431009 Maharashtra	27 <sup>th</sup> July, 2023 1 <sup>st</sup> September, 2023 15 <sup>th</sup> November, 2023	852.00	CSR00000181	Dr. Babasaheb Ambedkar Vaidyakiya Pratishtan, Aurangabad	Garkheda Parisar, C/O Hedgewar Hospital, Garkheda, Aurangabad-431005, Maharashtra

(₹ In Lakhs)

Sl. No.	Short particulars of the property or asset(s)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
5	Provided for Bhuj Kitchen - Kitchen utilities. Address: Survey No. 155, Sukhpar Village, Bhuj - Mandvi Highway, near Shiv Paras Temple, Bhuj, 370040.	Bhuj, 370040, Gujarat	25 <sup>th</sup> May, 2023 28 <sup>th</sup> August, 2023	110.35	CSR00000286	The Akshyapatra Foundation, Bangalore	Hare Krishna Hill, Chord Road, Rajajinagar, Bangalore-560010 Karnataka
6	Provided CUVIS Joint fully automated artificial joint surgery robot with automatic cutting function based on Navigation System. Address: Seth GS Medical College & KEM Hospital, Acharya Donde Marg, Parel Mumbai-400012 Maharashtra	Mumbai-400012 Maharashtra	24 <sup>th</sup> January, 2024 27 <sup>th</sup> March, 2024	512.05	-	Direct	-
7	Contribution for providing Ultrasound System with 3 probes in Address: Asian Institute of Medical Sciences (AIMS), M.I.D.C, Milap Nagar, Dombivli East, Dist. Thane-421303 Maharashtra.	Dombivli, Thane-421303 Maharashtra	5 <sup>th</sup> March, 2024	24.50	CSR00032838	Shirodkar Hospital Trust, Thane	Plot No P72, Shitaram Palace bldg., Milap Nagar, Manpada Road, MIDC, Dombivli-42101 Maharashtra
8	Contribution for providing Cardio Soft Machine and Echo ultrasound system Address: Maniben Nagarji Mehta(Valwada) Hospital, Kachigam Road, Vapi West-396191 Gujarat.	Vapi West-396191 Gujarat	19 <sup>th</sup> March, 2024	26.23	CSR00008281	Shreyas Medicare, VAPi	Janseva Hospital Compound, Kachigam Road, Vapi-396191 Gujarat
9	Provided Tata Winger Shell 3488 with Fabrication and modification into Type D Ambulance Address: Shri Vinoba Bhave Civil Hospital, Sayli Road, Silvassa, Dadra and Nagar Haveli and Daman and Diu 396230	Silvassa, Dadra and Nagar Haveli and Daman and Diu 396230	18 <sup>th</sup> March, 2024	34.43	-	Direct	-
10	Provided Tata Winger Shell 3488 with Fabrication and modification into Type D Ambulance Address: Marwad Hospital (Government Hospital), Devka Beach Road, Opp. Dajini wadi, Nani Daman, Daman, Dadra and Nagar Haveli and Daman and Diu 396210	Nani Daman, Daman, Dadra and Nagar Haveli and Daman and Diu 396210	18 <sup>th</sup> March, 2024	34.43	-	Direct	-
11	Provided ENT laparoscopy set - Arthrex 4k Ultra Camera System, 1.9MM Arthroscope Set, Endoscopes, 4K Laparoscope and Trolley Address: Dr Babasaheb Ambedkar Municipal General Hospital, Opp. Kandivali Police Station, S V Road, Kandivali (west) Mumbai-400067 Maharashtra	Kandivali (west) Mumbai-400067 Maharashtra	20 <sup>th</sup> March, 2024	38.00	-	Direct	-
12	Provided CUVIS Joint fully automated artificial joint surgery robot with automatic cutting function based on Navigation System. Address: Lokmanya Tilak Municipal Medical College and General Hospital, Mumbai, Dr Ambedkar Road, Sion, Mumbai-400022 Maharashtra	Sion, Mumbai-400022 Maharashtra	26 <sup>th</sup> March, 2024	465.00	-	Direct	-
Total				2152.62			

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable

Place: Mumbai  
Dated: 17<sup>th</sup> May, 2024

Rajiv Poddar  
Joint Managing Director

Vijaylaxmi Poddar  
Chairperson of CSR Committee

## ANNEXURE II(i) to CSR Report IMPACT ASSESSMENT REPORT

### Company Profile

Balkrishna Industries Limited ('BKT') is one of the world's leading manufacturers of "OFF-HIGHWAY tires". BKT has the widest product range with more than 3200 SKU's (Stock Keeping Units) and is "One Stop Shop" for all off-highway tyre solutions.

BKT has made its mark in the specialty segments like Agricultural, Construction, Industrial, Earthmover, Port, ATV (All-Terrain Vehicle) and Turf care applications in both cross ply & radial construction.

The Corporate Social Responsibility ('CSR') of the Company is undertaken by its CSR division, **BKT Foundation**.

### Company's CSR vision

BKT considers their responsibility to work and contribute towards social cause. In the past, earnest efforts have been taken in this direction by the BKT group in providing school education for the under privileged and needy; and funding various hospitals for free medical services to the poor and needy.

The CSR vision of the Company is "**Promotion of Education, Health and Rural Development**".

The Company commits itself to creating a more equitable and inclusive society by supporting processes that lead to sustainable transformation and rural development by promoting quality education and healthcare for all vulnerable sections of society.

BKT has developed CSR policy (which will be made available on the website of the Company) in order to achieve its CSR vision which is in consonance with the requirements of the Companies Act, 2013.

### I) CSR Initiative of the Company for Promotion of Education

#### Need for Education in the current scenario

Children and youth are the future of the nation. For an emerging and developing country like India, development of underprivileged children and youth hold the key to the progress of the nation itself.

Further, Education plays an important role in development of an individual's career. It is both the means as well as the end to a better life: the means because it empowers an individual to earn his/her livelihood and the end because it increases one's awareness on a range of issues – from healthcare to appropriate social behaviour to understanding one's rights – and in the process help him/her evolve as a better citizen.

Education is the most effective tool which helps children and youth to build a strong foundation; enabling them to free themselves from the vicious cycle of ignorance, poverty and diseases.

Considering the above, the Company had decided to focus on health and education to underprivileged students.

#### What BKT proposes to do for Education?

Education has been one of the core agenda of the CSR initiative of BKT. BKT intends to sponsor the education of the needy and underprivileged children and students by providing merit-based scholarships. The Company also intends to undertake activities to improve the facilities at the schools, colleges or universities. Providing support to under construction schools, colleges or universities, providing / sponsoring drinking water facility or sanitisation facilities in the schools, colleges or universities assistance in providing training programmes to the teachers, etc.

There have been cases of multiple drop outs from the schools for various reasons. Mid-day meal program acts as an enabler to avoid this drop outs and encourage parents to send their kids to school. Also, Mid-day meal provides healthy and nutritious diet to the kids and thereby improving their health as well. Therefore, the Company intends to endeavor to work in the direction of providing mid-day meal to school going students in India so that the youth in India can live a better future.

#### Self-Execution of Project or by Partnering with an NGO / Implementation Partner

The CSR Committee deliberated on various options as regards whether the Company should execute the project for promotion of education by itself or should it partner with an NGO. After considering various factors like availability of reliable implementation partner, cost and efforts required for execution of the Project, available expertise to implement the project etc., the CSR Committee decided to go ahead and partner with an NGO / Implementation Partner.

#### (i) Project Name: Akshaya Patra Bhuj Kitchen

In order to achieve its CSR vision of Promotion of Education and in alignment with its CSR Policy, the Company has identified and decided to partner with The Akshaya Patra Foundation (hereinafter referred to as 'the Foundation') for setting up a centralized kitchen with the capacity to serve approximately 50,000 meals / a day, in Bhuj, Gujarat, which is being used to prepare fresh hot food, for serving to Government school children, under the "Mid-Day Meal Program" run by Akshaya Patra in partnership with the State Government.

- **Identity and Image**

The Akshaya Patra Foundation is a registered public charitable trust established in the year 2000 at Bengaluru with the purpose to eliminate classroom hunger by implementing the Mid-Day Meal Scheme in the government schools and government-aided schools. Over the last 22 years, The Akshaya Patra Foundation has been concerting all its efforts towards providing fresh and nutritious meals to children on every single school day.

- **Capability and Competence**

In 2000, the Foundation started its journey by serving 1,500 students in 5 schools and today they have a partnership with the Central Government as well as various State Governments and they serve 2 million children today.

Today, Akshaya Patra is the world's largest (not-for-profit run) Mid-Day Meal Programme serving wholesome food every school day to over 2 million children from 22,367 schools across 15 states & 2 Union territory of India.

The Bhuj kitchen has been up and running with the capacity to serve approximately 50,000 meals / a day, in Bhuj, Gujarat, which is being used to prepare fresh hot food, for serving to Government school children, under the "Mid-Day Meal Program" run by Akshaya Patra in partnership with the State Government.

- **Management**

The Akshaya Patra Foundation (TAPF) is a public, charitable, secular Trust, registered in Bengaluru. The Board of Trustees comprise missionaries of ISKCON Bengaluru, corporate professionals, and entrepreneurs. Sri Madhu Pandit Das is the Chairman of TAPF with various retired IAS and IRS officers on the board of TAPF.

It also has a strong advisory board comprising of Chef Sanjeev Kapoor, Avani Davda, Divya Balagopal, Dr. Subba Rao M Gavaravarapu, G.V. Gopala Rao, Lakshmi Sampath, Lathika Pai, Meghana Narayan, Sanjeev Shishoo etc.

Its executive team is lead by CEO- Shridhar Venkat, CFO- Balaji M N and COO- Saanil K. Bhaskaran.

- **Transparency**

The management of the Foundation has agreed to provide fund utilisation report as regards the utilisation of the project and also annual report on the said project.

Over the years, TAPF has received various awards and recognitions viz. The India Today- RPG Happiness award in 2022, 24th SIES Sri Chandrashekarendra Saraswathi National eminence award in 2021, the CSR Times Award in COVID category in 2021 etc.

- **Financial Capability**

The Foundation has a good track record. It is also registered with the Income-tax Department for eligibility for deduction under section 80G.

Considering the above, the CSR Committee had recommended the Board to support The Akshaya Patra Foundation for undertaking the upgradation of the Centralized Kitchen involving a capex cost.

**Track Record of The Akshaya Patra Foundation**

- The Foundation is active since last 22 years in the area of providing mid day meal to children studying in schools.
  - The Akshaya Patra Foundation is a non-profit organisation that operates on a public-private partnership (PPP) model.
  - Since Akshaya Patra acts as an implementing partner of the Mid-Day Meal Scheme, there is a firm support from the Government of India, the State Governments and associated organisations.
- This has enabled Akshaya Patra's school lunch programme to grow from feeding 1,500 children in the year 2000 to over 2 million children in 2022. On 11 February 2019, the organisation commemorated the serving of 3 billion meals (cumulative).
- Akshaya Patra reaches out to 20,10,516 (includes Anganwadi feeding) children in 66 kitchens across 15 States & 2 Union Territories of India, providing them with freshly cooked meal on all school days. Currently, they implement the mid-day meal programme in 22,367 schools of the country, with plans to increase that number to hundreds more.
  - Currently, they operate 64 centralised kitchens in 15 States & 2 Union Territory of India and these kitchens prepare mid-day meals for 17,74,477 school children.
  - They also have decentralised kitchens in Baran, Rajasthan reaching out to 161 schools and in Nayagarh, Odisha reaching out to 319 schools. They set up our first decentralised kitchen in Baran, Rajasthan and with support from the local Sarpanch (head of the village) of the area, Akshaya Patra hired and trained women from Self-Help Groups to cook the nutritious food in kitchens across the district and feed the children.
  - The Akshaya Patra Foundation has integrated ISO 22000:2018 Food Safety Management into the process and successfully certified for the 33 kitchens & many more to be certified in future.
  - Akshaya Patra Foundation has implemented ISO14001(EMS) and ISO 45001 (OHSAS) by complying the vast array of environment and occupation safety laws in 2 kitchens, Hubli and Bellar.
  - The Central office of the Akshaya Patra situated in Bangalore is certified for ISO 9001:2015.

**Implementation of Bhuj Kitchen Mid-Day Meal Project by the Company**

The Company will make contribution of ₹ 110.35 lakhs towards the Project to the Foundation for undertaking the upgradation of the Centralized Kitchen involving a capex.

The Company will ensure that the funds are utilized for the furtherance of the stated objective of the Project. The representatives / Directors / employees of the Company apart from receiving progress reports from the Foundation and reviewing the same, may also visit the premises of the Project and inspect the progress of the Project and also to give their suggestions / inputs for betterment of the Project.

**Impact Assessment of the Bhuj Kitchen Mid Day meal project**

With the current project, mid-day meals will be provided to 50,000 children studying in schools in and around the city of Bhuj.

ii. **Project Name: Akshaya Patra Mid-day Meal**

In order to achieve its CSR vision of Promotion of Education and in alignment with its CSR Policy, the Company has identified and decided to partner with The Akshaya Patra Foundation (hereinafter referred to as 'the Foundation') for providing mid-day meals to 28,000 children studying in schools in and around Bhuj thereby uplifting the underprivileged and contributing for a noble cause. Considering the above, the CSR Committee had recommended the Board to support The Akshaya Patra Foundation for mid-day meals to 23,000 children studying in schools in and around Bhuj thereby uplifting the underprivileged.

**Implementation of Mid-Day Meal Project by the Company**

The Company will make contribution of ₹ 420 lakhs towards the Project to the Foundation involving provision of mid-day meals to 28,000 children studying in schools in and around the city of Bhuj.

The Company will ensure that the funds are utilized for the furtherance of the stated objective of the Project. The representatives / Directors / employees of the Company apart from receiving progress reports from the Foundation and reviewing the same, may also visit the premises of the Project and inspect the progress of the Project and also to give their suggestions / inputs for betterment of the Project.

**Impact Assessment of the Mid Day meal project**

With the current project, mid-day meals will be provided to 28,000 children studying in schools in and around the city of Bhuj.

iii. **Project Name: Muktangana Education Trust**

**What BKT proposes to do for Education?**

Education has been one of the core agenda of the CSR initiative of BKT. BKT intends to sponsor the education of the needy and underprivileged children and students by providing merit-based scholarships. The Company also intends to undertake activities to improve the facilities at the schools, colleges or universities. Providing support to under construction schools, colleges or universities, providing / sponsoring drinking water facility or sanitisation facilities in the schools, colleges or universities assistance in providing training programmes to the teachers, etc.

It has been observed that till date, the quality of education even in best schools is sub-standard and there are limited opportunities for children. Education has been a top priority for various Governments since Independence, but little has changed in terms of quality outcomes for the 'have-nots'. The issue has been the lack of a 'total systems approach' that holistically connects the various components that drive learning in the classroom. Therefore, the Company intends to endeavor to work in the direction of providing quality education in India so that the youth in India can live a better future.

Self-Execution of Project or by Partnering with an NGO / Implementation Partner

The CSR Committee deliberated on various options as regards whether the Company should execute the project for promotion of education by itself or should it partner with an NGO. After considering various factors like availability of reliable implementation partner, cost and efforts required for execution of the Project, available expertise to implement the project etc., the CSR Committee decided to go ahead and partner with an NGO / Implementation Partner.

In order to achieve its CSR vision of Promotion of Education and in alignment with its CSR Policy, the Company has identified and decided to partner with Muktangana Education Trust (hereinafter referred to as 'the Foundation') for providing quality, holistic, inclusive education to the students as well as in service teacher education to the teachers and teacher educators of the Sayani Road School, Gokhale Road South MPS, Dadar (West) in the city of Mumbai, Maharashtra.

**Why the Company wants to support Muktangana Education Trust**

Before finalising on Muktangana Education Trust as the Implementation Partner, the CSR Committee has carried out a due diligence based on various criterias viz. Identity and Image, Capability and Competence of the Foundation, Management, Transparency, Financial Capability, etc.

The summary of the conclusion drawn from the due diligence of Muktangana Education Trust is as under-

- **Identity and Image**

Muktangan Education Trust is a registered public charitable trust established in the year 2003 at Mumbai with the purpose to deliver quality education to the underserved communities of Mumbai.

Over the last 19 years Muktangan has evolved into a Hub and Spokes model of a Teacher Education Centre and 7 English-medium Mumbai Municipal schools from Preschool to Grade 10, set up and run by us with our unique design, all located in Mumbai's G South ward where they offer child-friendly education to over 3,700 children from underserved communities.

- **Capability and Competence**

In 2003 Muktangan started its education initiative by training 7 community women as teachers to teach 25 preschool children from their own community. Since then community members, especially parents, are involved very actively in our program. They enthusiastically participate in all Muktangan events, parent-teacher-meetings (PTMs) adding upto 8 to 10 times a year and stand with us as one of our strongest pillars.

Their larger goal has always been to help educational practitioners in schools and teacher education colleges to provide opportunities for all their students to learn more meaningfully, while at the same time we want to help the larger system see that it is the educational practitioners themselves, who can bring about this change. They are expanding the MERC pedagogical resources and learnings to rural and tribal communities through outreach partnerships.

Researchers from local as well as international universities research and advocate their program and its practices.

The Muktangan model has been proving to be an opportunity for all our educational practitioners to become, not just school or teacher educators, but rather "field level facilitators" of this larger goal.

- **Management**

Muktangan is run by Trustees lead by Sunil Mehta, Elizabeth Mehta, Vijaya Chauhan, Farida Bhatena and Ashok Shah.

It also has a strong advisory board comprising of Sean Sovak, Shalini Randery, Rajan Mehra, Maithili Parekh, Vivek Asrani, Donald Lobo and Rajesh Gupta.

Its executive team is lead by Dymphena Das and Keshav Satose.

- **Transparency**

The management of the Foundation has agreed to provide fund utilisation report as regards the utilisation of the project and also annual report on the said project.

Over the years, GuideStar India has consistently awarded Muktangan the Platinum Seal (Champion Level), the highest certification for transparency & public accountability.

- **Financial Capability**

The Foundation has a good track record. It is also registered with the Income-tax Department for eligibility for deduction under section 80G.

Considering the above, the CSR Committee had recommended the Board to support Muktangana Education Trust for providing quality, holistic, inclusive education to the students as well as in service teacher education to the teachers and teacher educators of the Sayani Road School, Gokhale Road South MPS, Dadar (West) in the city of Mumbai, Maharashtra.

**Track Record of The Akshaya Patra Foundation**

- The Foundation is active since last 14 years in the area of providing education.

- Muktanghan has evolved into a Hub and Spokes model of a Teacher Education Centre (hub) and 7 English medium Municipal schools Pre-School to Grade 10 (spokes) with its unique design, all located in Mumbai's G-South ward where they offer child-friendly education to over 3,700 children from underserved communities.
- To date, Muktanghan has provided livelihoods and vocational development to 800+ community members (mostly women) who have been trained in our pre-service teacher education center, 600 of whom are employed as teachers and teacher educators in their schools.
- Since all their students and teachers come from the same socio-economic background, they share a deep bonding with each other.
- Collectively, the community model is recognized as the "Muktangan Educational and Resource Centre" (MERC).
- Muktanghan is now actively engaged in teacher education and schooling and is widely recognized for sharing its learnings to government, academic institutions and researchers.
- Through outreach initiatives and partnerships with local and state government, NGOs, academic institutions both local and international, they have reached out to 72,000+ children and 5,000+ teachers and teacher educators across India.

#### Implementation of Muktanghan Project by the Company

The Company will make contribution of ₹ 230 lakhs towards the Project to the Foundation to provide quality, holistic, inclusive education to the students as well as in service teacher education to the teachers and teacher educators of the Gokhale Road South Mumbai Public School, Dadar (West) in the city of Mumbai, Maharashtra.

The Company will ensure that the funds are utilized for the furtherance of the stated objective of the Project. The representatives / Directors / employees of the Company apart from receiving progress reports from the Foundation and reviewing the same, may also visit the premises of the Project and inspect the progress of the Project and also to give their suggestions / inputs for betterment of the Project.

#### Impact Assessment of the Muktanghan Education Trust

With the current project, for the provision of quality, holistic, inclusive education to the students and in-service teacher education to the teachers and teacher educators. The education will be provided to around 495 students and 68 teacher educator total 563 ranging from pre-school to Grade 10 of Gokhale Road South Mumbai Public School, Dadar (West).

## II) **CSR Initiative of the Company For Health Care**

### (iv) **Project Name - Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan- Dr. Hedgewar Hospital**

#### **Need for Healthcare in the current scenario**

India has made rapid strides in the health sector since independence. However, various eye opening data from National Family Health Survey ('NFHS') clearly indicate that access to healthcare still remains a challenge.

While the health statistics of rural India continue to be poor, the health status and access to health services in urban areas on the other has also surfaced to be equally deplorable. Despite accounting for majority of the country's population, rural areas have very few government primary health care facilities.

The neglect in even the simplest preventive medical treatment usually leads to a more serious ailment and eventually into deaths. The need of the hour is thus a two pronged approach – first to bring quality health care services to doorsteps of the needy and second to promote healthcare awareness and contemporary health care services seeking behavior among the underprivileged.

Considering the above, the Company has decided to focus on healthcare.

#### **What BKT proposes to do for Healthcare?**

Healthcare has been one of the core agenda of the CSR initiative of BKT. The Company intends to improve the lives of children and adults and mission to ensure health with dignity to every underprivileged children and adult.

The Company intends to inter alia sponsor the basic healthcare facility which may include providing free medical facilities of the needy and underprivileged population. The Company may sponsor the medical treatment of poor and needy patients by directly paying the medical and other expenses to the Hospitals or other medical institutions. The Company may inter alia also undertake activities to improve the facilities and infrastructure at the hospitals. For example, sponsoring or improving the pathological lab facilities, improving the room facilities in the hospitals, providing / sponsoring Ambulance Facilities and/ or Blood Banks, maternity centres, eye care centres, operation theatres etc, providing / sponsoring drinking water facility or sanitisation facilities in the hospitals etc. Further, the Company also supports renovation, development of infrastructure facilities at various hospitals.

Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan (BAPV) is an organization run by Professionals Doctors, who have come together to give maximum of themselves to the society. Since 1989, the trust has treated 60,00,000 poor patients.

Dr. Hedgewar Hospital is the nucleus of this Trust. It is providing excellent medical services at affordable cost to the common man. The 10-bed hospital was started in 1989 by Doctors with small borrowings from their families. And then doctors decided to manage their life on subsistent income which set an example. And this is the strongest foundation of this organization.

Dr. Hedgewar Hospital is getting patients from all over Marathwada and Buldhana, Nashik, Ahmednagar and Jalgaon districts. Currently, Hospital is running at full capacity with 280 beds. Lots of patients have to turned down for want of space. There is dire need of special rooms & General ward both. Increase in capacity of hospital beds is also required to get sanction of Medical College which require 430 beds.

To address the above challenge, and to treat more patients including super speciality patients, the Trust has undertaken to build an additional floor (3rd floor) which will host 4 General Wards comprising of 120-beds, OPD for Super Specialists, ICU for Neurology, Multi-purpose hall and additional admin infrastructure.

As a step in the direction, under the instant project, the Company intends to partner with BAPV for expansion of the hospital infrastructure.



**Self Execution of Project or by Partnering with an NGO / Implementation Partner**

The CSR Committee deliberated on various options as regards whether the Company should execute the project for healthcare by itself or should it partner with an NGO / Implementation Partner. After considering various factors like availability of reliable implementation partner, cost and efforts required for execution of the Project, available expertise to implement the project etc., the CSR Committee decided to go ahead and partner with an Implementation Partner. The thought process behind the subject project is to improve the facilities of existing public hospitals, so that many poor people can benefit and treated.

In order to achieve its CSR vision of Promotion of Healthcare and in CSAlignment with its CSR Policy, as a step, the Company has identified and decided to partner with BAVP for expansion of the hospital infrastructure and building of an additional floor (3rd floor) which will host 4 General Wards comprising of 120-beds, OPD for Super Specialists, ICU for Neurology, Multi-purpose hall and additional admin infrastructure.

**Why the Company wants to support BAVP**

Before finalising on the Hospital as the Implementation Partner, the CSR Committee has carried out a due diligence based on various criterias viz. Identity and Image, Capability and Competence of the Hospital, Management, etc.

The summary of the conclusion drawn from the due diligence of BAVP is as under-

- **Identity and Image**

Dr. Babasaheb Ambedkar Vaidyakiya Pratishtan is an organization run by Professionals Doctors, who have come together to give maximum of themselves to the society. Since 1989, the trust has treated 60,00,000 poor patients.

Dr. Hedgewar Hospital is the nucleus of this Trust. It is providing excellent medical services at affordable cost to the common man. The 10-bed hospital was started in 1989 by Doctors with small borrowings from their families. And then doctors decided to manage their life on subsistent income which set an example. And this is the strongest foundation of this organization.

- **Capability and Competence**

Dr. Hedgewar Hospital has a team of capable and dedicated doctors, well designed infrastructure and professional management. The Trust also runs various social activities wherein it treats 4 lakh patients annually of which 75 percent are poor.

- Dr. Hedgewar Hospital is getting patients from all over Marathwada and Buldhana, Nashik, Ahmednagar and Jalgaon districts. Currently, Hospital is running at full capacity with 280 beds.

- **Management**

BAVP is run by an independent Board of Members which is headed by Shri Anil Bhalerao who is the Chairman, Shri Vinod Bhimrajka being the Vice Chairman and Dr. Anant Pandhare being the Secretary.

- **Transparency**

BAVP is compliant with National Accreditation Board for Hospitals and Healthcare Providers (NABH) and has also been evaluated and awarded by the Ministry of Health and Family Welfare, Government of India.

- **Financial Capability**

BAVP has a good track record. It is also registered with the Income-tax Department for eligibility for deduction under section 80G of the Income Tax Act, 1961.

Considering the above, the CSR Committee has recommended the Board to support BAVP for expansion of the hospital infrastructure and building of an additional floor (3rd floor) which will host 4 General Wards comprising of 120-beds, OPD for Super Specialists, ICU for Neurology, Multi-purpose hall and additional admin infrastructure.

**Track Record of BAVP**

- **BAVP is an organization run by Professionals Doctors, who have come together to give maximum of themselves to the society.**

- **It is operational since 1989.**

- **It treats around 4 lakh patients per annum and has treated 60 lakh patients till date.**

- **Currently, Hospital is running at full capacity with 280 beds. Lots of patients have to turned down for want of space. There is dire need of special rooms & General ward both. Increase in capacity of hospital beds is also required to get sanction of Medical College which require 430 beds.**

- **The Hospital has expanded from a 10 bed Hospital to a 280 Bed Hospital.**

- **BAVP is compliant with National Accreditation Board for Hospitals and Healthcare Providers (NABH) and has also been evaluated and awarded by the Ministry of Health and Family Welfare, Government of India.**

**Implementation of BAVP Project by the Company**

The Company will make contribution towards the Project of ₹ 852 lakhs in FY 2023-24 to BAVP which will be used to for expansion of the hospital infrastructure and building of an additional floor (3rd floor) which will host 4 General Wards comprising of 120-beds, OPD for Super Specialists, ICU for Neurology, Multi-purpose hall and additional admin infrastructure.

The Company will ensure that the funds are utilized for the expansion of the hospital infrastructure and building of an additional floor (3rd floor) which will host 4 General Wards comprising of 120-beds, OPD for Super Specialists, ICU for Neurology, Multi-purpose hall and additional admin infrastructure.

**Impact Assessment of the BAVP**

With the BAVP project, the commitment is to improve significantly improve the infrastructure of the hospital, ensure consistent functioning so as to provide quality care to needy patients.

The additional floor will be able to add 120 more beds and thereby serve approximately 50,000 more patients annually.

**ANNEXURE III****Form No. MR-3  
SECRETARIAL AUDIT REPORT**for the financial year ended 31<sup>st</sup> March, 2024*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members

Balkrishna Industries Limited

B-66, Waluj Industrial Area

Waluj, Chhatrapati Sambhajnagar 431136

Maharashtra

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

Based on my verification of the Company's books, papers, minutes, forms and returns filed and other records maintained by the Company, which were provided to me electronically and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the period covering the financial year ended on 31<sup>st</sup> March, 2024 (hereinafter referred to as "audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share based Employee benefits and Sweat Equity) Regulations, 2021; -- **Not applicable to the Company since it has no Employee Stock Option Scheme / Employee Stock Purchase Scheme;**
  - (e) The Securities and Exchange Board of India ((Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not applicable to the Company**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; -- **Not applicable to the Company during the year under review;**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; -- **Not applicable to the Company since it has not bought back any securities during the year under review;**
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

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

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

- The Rubber Act, 1947 and the Rules made thereunder
- The Petroleum Act, 1934 and the Rules made thereunder
- The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008

**I further report that**

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

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

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

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

**I further report that**

- (i) The Board of Directors of the Company at their meeting held on January 24, 2024 have approved draft Scheme of Amalgamation of BKT Tyres Limited ("Transferor Company") with the Company and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Act. The Transferor Company is the wholly owned subsidiary of the Company. The Scheme is subject to the requisite approvals and sanction of the National Company Law Tribunal (NCLT). Sanction of the NCLT to the Scheme is awaited.
- (ii) The Company and its Directors have received, by e-mail, a show cause notice from the Ministry of Corporate Affairs on December 22, 2023, under Section 148 of the Act, alleging non-compliance with the provisions of the Act regarding appointment of Cost Auditors for the financial year 2018-19. The Company has replied that in terms of Section 148 of Act read with Rule 4 (3)(i) of Companies (Cost Records and Audit) Rules, 2014, the Cost Audit shall not be applicable to the Company whose revenue from the exports in foreign exchange exceeded 75% of its total Revenue.
- (iii) The Income Tax Department has conducted search at the office premises and manufacturing units of the Company since 6:00 a.m., March 11, 2024 and concluded the same on March 16, 2024. The Company stated that it has fully cooperated with the officials of the Income Tax Department and responded to the clarifications and details sought by them.. The outcome of the above search operation is yet to be received from the Income Tax Department.

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report

**G.B.B.Babuji**

Company Secretary in Whole-time Practice

**Membership No. FCS-1182 CP No. 8131****PR No 1353/2021****UDIN F001182F000386754**

Place: Navi Mumbai,  
Date: May 17, 2024.

**'AnnexureA'**

To,  
The Members,  
Balkrishna Industries Limited  
B-66, Waluj Industrial Area  
Waluj, Chhatrapati Sambhaji Nagar 431136  
Maharashtra

My Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2024 of even date is to be read along with this letter.

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

**G.B.B.Babuji**

Company Secretary in Whole-time Practice

**Membership No. FCS-1182 CP No. 8131****PR No 1353/2021****UDIN F001182F000386754**

Place: Navi Mumbai,  
Date: May 17, 2024.

**ANNEXURE – IV**

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

**A. CONSERVATION OF ENERGY:**

(I) the steps taken or impact on conservation of energy:

As a responsible organisation, Your Company has been constantly taking Efficient Energy Management Initiatives to reduce operational costs and minimize environmental impact, aligning with global shifts towards energy sustainability and providing a competitive edge. The Company has invested in Energy-Efficient Technologies and Renewable Energy sources to reduce reliance on fossil fuels.

- i. The Company has installed Variable Frequency Drive (VFDs) for recycling of RO water in all plants of the Company thereby reducing power consumption.
- ii. Reducing specific power consumption from various efforts listed below –
  - Reduced the idle running time of equipment's .
  - Reduced breakdown time.
  - Fixing of energy efficient LED lights.
  - Replacement of Energy efficient motors.
  - Arresting the air and steam leakages.
  - Pumps with VFD and close loop feedback operation.
  - Reduced electrical energy losses through system improvement.
  - Replacement of energy efficient products in the machines.
- iii. Reduction in steam coal consumption by Refurbishment of boilers, Curing utility parameters optimization and effective utilization of plant installed capacity.
- iv. Retrofitting (22 Nos.) of Electronically commutated + Fan Air washer with our existing centrifugal air blower type air washer.
- v. Installation of new energy efficient pump in place of old conventional pumps.
- vi. VFD installed in Cold water, Hot water supply pump, Hydraulic supply pump, DCC make up pump.
- vii. Installation of VFD on Mixer#5 batch off mill.
- viii. Replacement of conventional fans with energy efficient BLDC fans on mixer#5 cooling rack.
- ix. Cooling tower make up stopped by modifying return header.
- x. Reduction in air compressor energy consumption by arresting air leakages in the plant on regular basis.
- xi. Replacement of multiple rewind motors with IE3 energy efficient motor.

(II) the steps taken by the Company for utilizing alternate source of energy:

Utilization of Wind energy as alternate source by generating approx. 68 Lakhs Kwh in FY 2023-24.

(III) the capital investment on energy conservation equipment's :

Investments have been carried out for energy conservation proposals resulting in long term saving impact and reduction of losses in the system.

**B. TECHNOLOGY ABSORPTION:**

(I) the efforts made towards technology absorption:

Continuous efforts were being made towards technology absorption by following methods:

- i. 700 Litre mixer is commissioned and industrialized for regular production. This mixer has verification system of carbon, polymer and oil weighment. Ram operation is with new i-Ram2.0 Technology.
  - ii. Research and Development of Sustainable Raw Material usage like wood rosin and more reclaim rubber started. Additionally, Recycle Carbon Black ratio increased in our specific category of tires.
  - iii. Digital Identification tagging system at 4 Roll Calendar.
  - iv. Installation of Automated Storage & Retrieval system ( ASRS) for finished product & Raw material storage .
  - v. Installed high productivity Bladder turn up tyre building machines for producing 20 " & above size bias tyres . This is paradigm shift from previous usage of manual turn up building machines.
  - vi. Installation of high end automatic E+L make ( Erhardt -Leimer ) bias cutter for bigger sizes ply cutting .
  - vii. Auto Spray Painting on Green tires through Robotics.
  - viii. For Carbon Plant Reactor- Design change in venturi and quench section.
  - ix. Wet beading spray nozzle orientation changed and internal pin profile changed.
- (II) the benefits derived like product improvement, cost reduction, product development or import substitution:
- i. Productivity and Quality Improvement.
  - ii. Fatigue reduction of operator
  - iii. Quality consistency
  - iv. Process and Product improvement.
  - v. Reduced consumption of petroleum based raw materials.
- (III) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
- i. the details of technology imported; **Imported Tyre Building Machines.**
  - ii. the year of import; **Financial Year 2023-24**
  - iii. whether the technology been fully absorbed; **Yes Fully Absorbed.**
  - iv. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; **Not applicable.**
- (IV) the expenditure incurred on Research and Development: ₹ 7,400 Lakhs

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO : (₹ in Lakhs)**

- i. Foreign Exchange Outgo : ₹ 2,90,550
- ii. Foreign Exchange earned (FOB Basis) : ₹ 6,39,557

For and on behalf of the Board of Directors

**ARVIND PODDAR**  
Chairman & Managing Director  
DIN: 00089984

Place : Mumbai,  
Dated: 17<sup>th</sup> May, 2024

## ANNEXURE – V

Statement of Disclosure in Directors' Report Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- (I) Ratio of the remuneration of each Whole Time Directors to the median remuneration of the employees of the Company for the financial year 2023-24, the percentage increase in remuneration of each Key Managerial Personnel (KMP) against the performance of the Company as under:

Sr. No.	Name of the Director/KMP	Designation	Ratio of the remuneration of each Whole Time Director to the median remuneration of the employees of the Company	Percentage increase in remuneration
1	Mr. Arvind Poddar	Chairman & Managing Director	672	10%
2	Mr. Rajiv Poddar	Joint Managing Director	654	10%
3	Mr. Vipul Shah	Director & Company Secretary	15	5%
4	Mr. Madhusudan Bajaj	Senior President (Commercial) & CFO	38	18%

- (II) The percentage increase in median remuneration of employees in the financial year 2023-24 is 3%.
- (III) There were 3590 permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2024.
- (IV) Average percentage increase already made in the salaries of employees was 9% other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration is 10%.
- (V) It is hereby affirmed that remuneration paid is as per the remuneration policy of the Company.
- (VI) The Non-Executive Directors of the Company are entitled for sitting fee as per the statutory provisions and within the limits approved by the shareholders. The details of remuneration (Sitting Fees) of Non-Executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore not considered for the purpose above.

**For and on behalf of the Board of Directors**

**ARVIND PODDAR**  
 Chairman & Managing Director  
 DIN: 00089984

Place : Mumbai,  
 Dated: 17<sup>th</sup> May, 2024

## ANNEXURE – VI

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

We, **Balkrishna Industries Limited** ('BKT' or the 'Company') delighted to unveil its BRSR for FY 2023-24, compiled as per the amended 34 (2) (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, following the Gazette notification no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, encompassing our business performance and impacts are disclosed based on the Nine NGRBC Principles, reflecting our commitment to responsible and sustainable business practices.

Our second BRSR underscores our commitment to evolving into a corporate group dedicated to fostering a sustainable society while maintaining growth and delivering value. Collaborating with customers and stakeholders globally, we persist in advancing our sustainability objectives. This report is a testament to our ongoing efforts in this transformational journey, highlighting our commitment to sustainability and our collaboration with stakeholders to achieve mutual goals.

Our commitment to transparency aims to enhance investor confidence and cater to the diverse needs of all stakeholders. By prioritizing transparency, we aim to align our operations with the interests of investors and other key stakeholders, thereby fostering trust and sustainable growth

## SECTION A: GENERAL DISCLOSURES

## I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L99999MH1961PLC012185
2.	Name of the Listed Entity	Balkrishna Industries Limited
3.	Year of incorporation	1961
4.	Registered office address	B-66, MIDC, Waluj Industrial Area, Waluj, Chhatrapati Sambhaji Nagar 431 136 (Maharashtra)
5.	Corporate address	BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, India
6.	E-mail	<a href="mailto:shares@bkt-tires.com">shares@bkt-tires.com</a>
7.	Telephone	+91 22 66663800
8.	Website	<a href="http://www.bkt-tires.com">www.bkt-tires.com</a>
9.	Financial year for which reporting is being done	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March, 2024
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	₹ 3,866 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Vipul Shah Whole Time Director and Company Secretary +91 22 6666 3800 <a href="mailto:shares@bkt-tires.com">shares@bkt-tires.com</a>
13.	Reporting boundary  Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report are on a standalone basis and pertains to Balkrishna Industries Limited.
14.	Name of assurance provider	Bureau Veritas (India) Private Limited
15.	Type of assurance obtained	Reasonable Assurance

## II. Products/services

## 16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	% of Turnover of the entity
	Manufacturing of Rubber Tires	BKT is one of the world's leading manufacturers of "Off-Highway tires" BKT has made its mark in the specialty segments like Agricultural, Mining, Forestry, Construction, Industrial, Earthmover, Port, ATV (All-Terrain Vehicle) and Turf care applications in both cross ply and radial construction.	92%

## 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% Of total turnover contributed
1.	Manufacturing of Rubber Tires	22119	92%

**III. Operations**

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	9*	1	10
International	Nil	3	3

\* Includes 5 tire manufacturing plants, Carbon Black Plant, Mould Plant, Drum Plant and Windmill.

19. Markets Served by the Entity

**a. Number of locations**

Locations	Number
National (No. of States)	We have PAN India presence
International (No. of Countries)	130+ Countries

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

Contribution of exports is around 72% of total turnover.

**c. A brief on types of customers**

Agriculture and farming industries make up a majority of our clientele. The remaining customer base consists of Mining, Forestry, Construction, Industrial, Earthmover, Port, ATV (All-Terrain Vehicle) and Turf care applications in both cross-ply and radial construction. We serve domestic as well as international customers. Majority of our exports are to Europe and USA

20. Details as at the end of the Financial Year:

**IV. employees**

**a. Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	2,709	2,669	98.52%	40	1.48%
2.	Other than Permanent (E)	69	68	98.55%	1	1.45%
3.	<b>Total employees (D + E)</b>	<b>2,778</b>	<b>2,737</b>	<b>98.52%</b>	<b>41</b>	<b>1.48%</b>
<b>WORKERS</b>						
4.	Permanent (F)	881	881	100.00%	0	0.00%
5.	Other than Permanent (G)	7,481	7,453	99.63%	28	0.37%
6.	<b>Total workers (F + G)</b>	<b>8,362</b>	<b>8,334</b>	<b>99.67%</b>	<b>28</b>	<b>0.33%</b>

**b. Differently abled Employees and workers**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	0	0	0%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	<b>Total differently abled employees (D + E)</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than permanent (G)	4	4	100%	0	0%
6.	<b>Total differently abled workers (F + G)</b>	<b>4</b>	<b>4</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors (BoD)	8	2	25%
Key Management Personnel (KMP)*	1	0	0%

\* Other than Board of Directors

22. Turnover rate for permanent employees and workers

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)			FY 2021-22 (Year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.86%	12.05%	13.83%	14.02%	9.64%	13.95%	7.25%	13.11%	7.34%
Permanent Workers	3.56%	N.A.	3.56%	3.61%	N.A.	3.61%	3.60%	N.A.	3.60%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Names of holding / subsidiary / associate companies / joint ventures

S. No	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	BKT Tyres Limited *	Subsidiary	100%	No, the Company is reporting on Business Responsibility and Sustainability Reporting on standalone basis
2	BKT EUROPE S.R.L.	Subsidiary	100%	
3	BKT USA INC	Subsidiary	100%	
4	BKT Tires (CANADA) INC	Subsidiary	100%	
5	BKT Tires INC#	Subsidiary	100%	

\* The Board of Directors at their meeting held on 24<sup>th</sup> January 2024 had approved the Scheme of Amalgamation of BKT Tyres Limited with the Company. The approved date of the merger is 1<sup>st</sup> April 2024, and the Scheme is subject to necessary statutory and regulatory approvals.

#The Board of Directors at their meeting held on 27<sup>th</sup> May 2023 had approved the merger of BKT Tires INC into BKT EXIM US, INC.

VI. CSR Details:

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes

(ii) Turnover - ₹ 9,299 crores

(iii) Net worth - ₹ 8,862 crores

VII. Transparency and Disclosures Compliances -

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

To enhance our stakeholder engagement, we have launched a common grievance redressal portal which is accessible for all relevant stakeholders. This ensures a comprehensive outreach and cultivates an open channel for communication with all our stakeholders. We actively engage with our stakeholders to gain an understanding of their issues and potential impact on our operations. There is also a robust review mechanism in place for our grievances to track resolution outcomes and timelines

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, <a href="https://www.bkt-tires.com/ww/us/grievances">https://www.bkt-tires.com/ww/us/grievances</a>	0	0	--	0	0	--
Investors (Other than Shareholders) *	Yes, <a href="https://www.bkt-tires.com/ww/us/grievances">https://www.bkt-tires.com/ww/us/grievances</a>	0	0	--	0	0	--
Shareholders / Investors	Yes, <a href="https://www.bkt-tires.com/ww/us/grievances">https://www.bkt-tires.com/ww/us/grievances</a>	32	1	**	29	0	--



Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and Workers	Yes, <a href="https://www.bkt-tires.com/ww/us/grievances">https://www.bkt-tires.com/ww/us/grievances</a>	0	0	--	0	0	--
Customers	Yes, <a href="https://www.bkt-tires.com/ww/us/grievances">https://www.bkt-tires.com/ww/us/grievances</a>	10,040	1,817	**	5,991	6	**
Value Chain Partners	Yes, <a href="https://www.bkt-tires.com/ww/us/grievances">https://www.bkt-tires.com/ww/us/grievances</a>	0	0	--	0	0	--
Others (Please specify)	Other stakeholders can raise their grievances here: <a href="https://www.bkt-tires.com/ww/us/grievances">https://www.bkt-tires.com/ww/us/grievances</a>	0	0	--	0	0	--

\* We have considered Non-convertible Debentures' holders as Investors other than Shareholders

\*\* The Company is taking necessary steps to resolve grievances.

**26. Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Product Quality and Safety	Risk	In the tire industry, product failures can lead to serious safety issues, recalls, and substantial financial damage. Maintaining high-quality and safe products is critical to protecting consumers and the company's market position.	We adhere to stringent quality control measures and conduct regular product testing to prevent defects. We also follow product safety practices to ensure that top-tier standards are met or exceeded.	Negative; product recalls and safety failures are costly and can severely impact customer trust and company reputation.
2	Water Stewardship	Risk	Water scarcity and poor water management practices can lead to conflicts with local communities, regulatory penalties, and increased operational costs.	We have implemented water-efficient technologies and wastewater recycling to reduce freshwater usage such as ETP, STP, MEE and RO reject reuse. We will also engage stakeholders in water-stressed regions to collaboratively manage shared water resources, enhancing community relations and securing operational stability.	Negative; inadequate water management can disrupt operations and additional costs for water procurement and compliance with emerging regulations.
3	Corporate Governance	Risk	Governance issues can lead to significant non-compliance risks, affecting investor confidence and legal standing. The tire industry, being highly regulated, requires stringent governance to uphold ethical standards and operational transparency.	We plan to further amplify board oversight by regular training and internal audits, ensuring alignment with global governance standards. We will also implement robust internal controls and compliance monitoring systems manage and mitigate governance risks efficiently.	Negative; poor governance can lead to regulatory fines, eroding investor trust and potentially impacting market value negatively.
4	Emissions Management	Risk & Opportunity	With energy saving initiatives, renewable energy initiatives, process optimisation and overall operations efficiency and logistic network optimisation initiatives, the Company shall be able to optimise its energy consumption and reduce carbon emissions.	We are currently in the process of calculating our Scope 3 emissions. We have also deployed air pollution control and monitoring devices to reduce and track fugitive emissions for continuous monitoring and reporting	Negative; With energy saving initiatives and efforts to mitigate, manage and minimise the emissions are expected to have positive financial implications.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Energy Management	Opportunity	Efficient energy management reduces operational costs and minimizes environmental impact, aligning with global shifts towards energy sustainability and providing a competitive edge.	We have invested in energy-efficient technologies and renewable energy sources to reduce reliance on fossil fuels. We also plan to adopt best practices for energy management, viz. ISO 50001 standard, to optimize energy use and reduce costs.	Positive; effective energy management not only reduces costs but also improves the company's sustainability profile, attracting eco-conscious investors and customers.
6	Sustainable Strategy for Climate Resilience	Opportunity	Adapting to climate change by developing resilient products and processes positions the company as a leader in sustainability, attracting investments and customers.	We plan to innovate and deploy new tires that are adaptable to varying climatic conditions. We are investing in research and development focused on reducing the carbon footprint of production processes and products. We will also enhance operational flexibility to respond to weather-related disruptions. We are conducting climate change risk assessment for enhancing our strategy for climate resilience	Positive; proactive climate adaptation measures can lead to operational efficiencies, open new markets, and enhance brand loyalty, positively impacting the bottom line.
7	Business Ethics and Compliance	Risk	The Company expects all its employees to adhere to the Code of Conduct Policy and Ethical behaviour. The Company follows zero tolerance for any non-compliance in this regard.	We have a very stringent Code of Conduct Policy which ensures ethical behaviour and compliance with applicable laws and regulations. The said policy provides for framework for employees and other stakeholders to ensure that business is governed only by ethical practices.	Negative implication. The failure to adhere to code of conduct will have a negative reputational impact on our employees and all the stakeholders
8	Innovation and Digitalization	Opportunity	Embracing digital transformation and innovation can significantly enhance operational efficiencies, customer engagement, and open new revenue streams.	We have prioritized investments in R&D and digital technologies that streamline operations and improve product development processes. This will help us foster a culture of innovation to sustain competitive advantage. We will also adapt strategies to integrated advanced analytics and IoT technology to enhance our manufacturing and supply chain operations.	Positive; investments in digitalization typically yield high returns through improved market positioning and customer satisfaction
9	Waste management & Circular Economy	Opportunity	Overall operational efficiency, adherence to the compliances with resource efficiency result in reduction in creation of waste and its management in a better manner to have lesser impact on environment.	Across the operations, we are working towards reducing the environmental impact of waste generated. We are driving waste management programmes through tie-ups with various recyclers who collect, process, and dispose our waste in accordance with relevant guidelines.	Positive Managing waste at each stage of the manufacturing process has direct impact on achieving the resource efficiency and together with compliance of all the applicable regulations can have positive financial impact
10	Ethical Procurement	Risk	Ethical breaches in procurement can lead to legal penalties and reputational damage, especially in industries like tire manufacturing where material sourcing is under scrutiny for labour and environmental practices.	We have established strict procurement policies that enforce compliance with ethical standards, including third-party certifications and audits. We will also leverage industry best practices for ethical procurement to enhance transparency and accountability within the supply chain.	Negative; ethical lapses could result in regulatory fines and loss of business credibility, impacting financial performance adversely.
11	Sustainable Supply Chain	Risk	The complexity and global span of tire industry supply chains expose companies to significant sustainability and disruption risks, impacting operational continuity and compliance with environmental regulations.	We aim to develop a resilient supply chain framework by diversifying suppliers and integrating sustainability criteria into supplier selection. We will also implement transparent supply chain practices to ensure compliance with environmental and social standards, thereby reducing potential risks.	Negative; disruptions or non-compliance in the supply chain can lead to increased costs and damage to the brand's reputation.

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

PRINCIPLE 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
PRINCIPLE 2	Businesses should provide goods and services in a manner that is sustainable and safe.
PRINCIPLE 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
PRINCIPLE 4	Businesses should respect the interests of and be responsive to all its stakeholders
PRINCIPLE 5	Businesses should respect and promote human rights.
PRINCIPLE 6	Businesses should respect and make efforts to protect and restore the environment.
PRINCIPLE 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
PRINCIPLE 8	Businesses should promote inclusive growth and equitable development.
PRINCIPLE 9	Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available**	Principle 1 – <ul style="list-style-type: none"> <li>Ethics, Transparency and Accountability Policy</li> <li>Code of Conduct for Employees</li> <li>Whistle-Blower &amp; Vigil Mechanism Policy</li> <li>Anti-Bribery and Anti-Corruption Policy</li> </ul> Principle 2 – <ul style="list-style-type: none"> <li>Sustainable Development Policy</li> </ul> Principle 3 – <ul style="list-style-type: none"> <li>Human Rights and Labor Policy</li> <li>Diversity and Inclusion Policy</li> <li>Employee Welfare Policy</li> <li>POSH Policy</li> </ul> Principle 4 – <ul style="list-style-type: none"> <li>Stakeholder Relationship Policy</li> </ul> Principle 5 – <ul style="list-style-type: none"> <li>Human Rights and Labor Policy</li> </ul> Principle 6 – <ul style="list-style-type: none"> <li>Environment, Health and Safety Policy</li> <li>Business Continuity Policy</li> </ul> Principle 7 – <ul style="list-style-type: none"> <li>Ethics, Transparency and Accountability Policy</li> <li>Code of Conduct for Employees</li> <li>Advocacy Policy</li> </ul> Principle 8 – <ul style="list-style-type: none"> <li>CSR Policy</li> <li>Inclusive Growth and Equitable Development Policy</li> </ul> Principle 9 – <ul style="list-style-type: none"> <li>Cyber Security and Data Privacy Policy</li> <li>Customer Relationship Policy</li> </ul> All policies can be viewed under 'Policies' at <a href="https://www.bkt-tires.com/ww/us/investors-desk">https://www.bkt-tires.com/ww/us/investors-desk</a> .								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.	<p>P1: Our Ethics, Transparency &amp; Accountability Policy provides us the guidance and support we need to conduct our business ethically and comply with applicable laws.</p> <p>P2: As part of the Quality Management System, we have adopted ISO 9001:2015 and we also adhere to Kaizen principles, Further, Sustainable Development Policy is available on our website.</p> <p>P3: Our Bhuj site has been certified with ISO 45001:2018. We also have various policies in place such as Employee Welfare Policy, Diversity and Inclusion Policy, Human Rights and Labor Policy</p> <p>P4: Our Stakeholder Relationship Policy creates awareness among the stakeholders about pursuing business operations in a sustainable manner.</p> <p>P5: Our Human Rights and Labor Policy lays forth guiding principles for upholding and protecting human rights throughout the our operations.</p> <p>P6: We are an ISO 14001:2015 certified organization. Further, we also have Environment, Health and Safety Policy and Business Continuity Policy.</p> <p>P7: Our Code of Conduct Policy states the importance of being ethical and responsible while dealing with regard to company's public image, finances and products.</p> <p>P8: Our Corporate Social Responsibility Policy is compliant with Companies Act, 2013.</p> <p>P9: We are certified in accordance with ISO 9001 (Quality Management System) and IATF 16949:2016 (Quality management system for organizations in the automotive industry)</p>								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>On an annual basis, the Company identifies and agrees to take certain measures to reduce its GHG emissions, wastages, and water consumption across all the plants as part of the sustainability initiative. Goals and targets are set annually, and specific commitments are set periodically.</p>								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	<p>The performance against specific commitments, goals and targets and identified KPIs at the unit level is discussed on periodic basis by the Management. The Company has disclosed its Environment, Social and Governance performance in 'Section C' of this report.</p>								
<b>Governance, leadership, and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure) -	<p>We are publishing our second BRSR for FY 2023-24 to demonstrate our continued commitment towards our company's environmental, societal and financial resources. At the forefront of our sustainability agenda is the rigorous mitigation of greenhouse gas (GHG) emissions, energy consumption, and water usage. Through energy-efficient technologies, we are proactively reducing our carbon footprint by optimizing resource utilization. By integrating climate considerations into our decision-making processes, we strive to enhance resilience against climate-related risks and foster a more sustainable future.</p> <p>Moreover, we are committed to promoting sustainability in our value chain through collaboration with suppliers and partners. We are implementing measures to enhance transparency, traceability, and accountability, thereby minimizing environmental impact and maximizing value creation. Recognizing the urgency of transitioning towards sustainable sources of energy, we are accelerating our efforts to embrace renewable energy technologies and decarbonize our operations. By investing in renewable energy, we are reducing reliance on fossil fuels and advancing towards a low-carbon future.</p> <p>In line with our commitment to compliance, we are actively engaging with regulatory authorities to ensure adherence to emerging sustainability standards and regulations. Through ongoing dialogue and collaboration, we are proactively addressing regulatory requirements and incorporating them into our strategic planning and operational processes. Furthermore, digitalization and automation play a pivotal role in our sustainability journey, enabling us to optimize resource utilization, streamline operations, and minimize environmental impact</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies	<p>The Business Responsibility and Sustainability Committee is responsible for implementation and oversight. The composition of the Committee as on 31st March 2024 is as under:</p> <ul style="list-style-type: none"> <li>• Pannkaj Ghadiali (DIN 00003462) – Chairman</li> <li>• Arvind Poddar (DIN 00089984) – Member</li> <li>• Rajiv Poddar (DIN 00160758) – Member</li> </ul>								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Yes, we have a specific 'Business Responsibility and Sustainability Committee' of the Board. The Committee consists of aforementioned members including Independent Director. The Committee evaluates ESG risks, effectiveness of ESG strategies and its performance.</p>								

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether the review was undertaken by Director/committee of the board/ any other committee									Frequency (Annually/ half-yearly/ quarterly/ any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	A	A	A	A	A	A	A	A
Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	A	A	A	A	A	A	A	A

The policies in relation to sustainability are evaluated and reviewed periodically or on a need basis (at-least once in a year) by the Business Responsibility and Sustainability Committee. The Committee evaluates effectiveness of the policies and necessary amendments to policies / procedures are done. The Company continues to comply with all applicable regulations relevance to the principles.

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Y	Y	Y	Y	Y	Y	Y	Y	Y

Yes, in addition to internal audits, external audits like BRSR Assurance and ISO certification surveillance/renewal audits scrutinize our policies aligned with NGRBC principles, ensuring implementation integrity.

We assess policies against global standards, conducting gap assessments. Businesses then implement management plans and corrective actions, fostering cross-functional collaboration through continuous review, evaluation, and documentation to identify and address improvement areas effectively.

**12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	This question is not applicable since the answer to question (1) is yes.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

**Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that Ethical, Transparent and Accountable**

We operate within an ethical and transparent framework, building trust and fostering employee pride through interactions with stakeholders. We govern ourselves with a commitment to honesty, fairness, and responsibility, fostering trust with stakeholders and contributing to sustainable business practices that benefit both the company and society.

**Essential Indicators**

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness program held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programme
Board of Directors	6	The Company has conducted various workshops and trainings to create awareness about various policies and practices covering:	100%
Key Managerial Personnel *	6	Code Of Conduct, Anti-Bribery and Anti-Corruption, Ethics and Accountability, Environment, Health and Safety, Sustainable Development, Diversity and Inclusion, Human Rights, Stakeholder Relationship,	100%
Employees other than BoD and KMPs	506	Employee Welfare, Cybersecurity and Data Privacy, Business Continuity, Corporate Social Responsibility, Sustainability topics including update on Business Responsibility and Sustainability Reporting etc. encompassing all the relevant principles of NGRBC to respective stakeholder.	100%
Workers	13,906		100%

\* Other than Board of Directors

2. Details of fines/penalties/punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Nil	Nil	Nil	Nil	
Punishment	Nil	Nil	Nil	Nil	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, we uphold professionalism, fairness, and integrity through its Anti-Bribery and Anti-Corruption Policy approved by the Board of Directors which leaves no room for tolerance towards corrupt practices. It is applicable to all stakeholders, it defines various actions of corruption and emphasizes adherence to ethical standards, with disciplinary measures for any type of non-compliance. We conduct annual training sessions to promote awareness and has established a grievance redressal mechanism for prompt reporting of incidents. Forming a part of the Code of Conduct, the policy is aligned with our Values and Code of ethics, reinforcing its commitment to responsible business conduct, and maintaining the highest standards of ethics and integrity.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Directors	No Directors/KMPs/employees/workers were involved in bribery/corruption both, in FY 2023-24 and FY 2022-23. Hence, no action was taken by any law enforcement agency.	
KMPs		
Employees		
Workers		

6. Details of complaints about conflict of interest:

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable, No fines, penalties, or actions have been enforced by regulatory bodies, law enforcement agencies, or judicial institutions regarding corruption or conflicts of interest during this financial year. Consequently, there are no corrective measures to be undertaken

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods or services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payable	10.31	12.39

9. Open-ness of business: Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:.

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	11%	10%
	b. Number of trading houses where purchases are made from	1,290	1,404
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	81%	74%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	83.30%	83.47%
	b. Number of dealers / distributors to whom sales are made	308	309
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	41.49%	43.83%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.004%	0.005%
	b. Sales (Sales to related parties / Total Sales)	2.48%	3.78%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	0.04%	0.03%

## Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
4	The Company has conducted training sessions to increase awareness on various sustainability topics, BRSR including BRSR Core.	21% of purchase value from supply chain partners

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, we have a detailed process in place to avoid and manage conflicts of interest involving members of the Board. The Code of Conduct for Board Members and Senior Management Executives outlines clear guidelines for disclosure of interests, avoidance of conflicts, investment in company shares, confidentiality, non-compete agreements, and voting protocols. Additionally, there are specific provisions for independent directors, ensuring ethical conduct, independence, and diligent participation. Annual affirmations of compliance are mandatory from Board of Directors, and it demonstrates our commitment to uphold highest standards of compliance. The Code's comprehensive nature ensures transparency, integrity, and accountability among board members and senior management, safeguarding our interests and reputation. This can be accessed at <https://www.bkt-tires.com/media/files/shareholders/policies/bil-code-of-conduct-for-board-members-and-senior-management.pdf>.

**Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.**

We are focusing on significant investments in innovation and research to develop ground-breaking, sustainable products that meet customer needs. We are committed to supporting value chain partners in line with our strategic goals, fostering economic prosperity while delivering value to end-consumers.

## Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)	Details of improvements in environmental and social impacts
R&D	100%	100%	Exploring potential sustainable and environment friendly raw material / recyclable/increased percentage of reclaimed materials with lower emission footprint etc.
Capex	15.57%	16.68%	Pertaining to Energy efficiency, water reduction, equipment, Environment monitoring systems, Improvement of safety infrastructure, Use of Electric vehicles, Renewable energy etc.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, we have procedures in place for sustainable sourcing, aligning with our commitment to integrate sustainability throughout the product life cycle. The BKT Supplier Manual is comprehensive guide to strengthen our partnerships and cultivate a culture of sustainable growth and success throughout the entire supply chain. We also conduct Supplier Audits using an extensive checklist, which not only evaluates suppliers' products and its quality but also evaluates them on Environmental, Social, and Governance parameters, health and safety, legal compliances, and human rights. Periodic supplier assessments help to identify improvement opportunities, leading to collaborative projects with our value chain partners.

- b. If yes, what percentage of inputs were sourced sustainably?

As a part of the onboarding process, majority of new suppliers are evaluated based on the guidance given in the BKT Supplier Manual. We continue to create awareness and encourages its value chain partners towards sustainable sourcing. Social, Ethical, and Environmental key performance indicators (KPIs) are integrated into the critical supplier assessment process in line with the guidance on Sustainable Procurement as per ISO 20400:2017 Standard. The Company evaluates the top value chain partners based on the business value. This evaluation is done based on the criteria given in the BKT Supplier Manual. Further, In the current FY 2023-24, majority of total raw material (by value) was sourced from ISO certified suppliers for our operations. This can be accessed at <https://www.bkt-tires.com/www/us/suppliers>.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

We have integrated sustainability into our operations to foster a circular economy. With a focus on reducing waste generation, our processes ensure responsible handling of various waste types.

Due to the nature of our operations, Plastic waste, E-waste, Hazardous waste is not generated after its sale to customer. Accordingly, these categories are not applicable to us.

Other waste: The recycled rubber that we reclaim are managed with diligence, with a commitment to recycling and minimizing their environmental impact. In addition to reclaiming recycled rubber, we incorporate third-party and reclaimed products such as crumb powder, recovered carbon black, recycled rubber and rubberized friction compound into our processes, further enhancing our sustainability efforts.



4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, Extended Producer Responsibility (EPR) applies to our activities. We are in process of procuring EPR certificates from registered producers and recyclers via the Central Pollution Control Board (CPCB) for compliance. Our EPR plan includes safe procurement, disposal, and recycling of packaging waste. We are committed to fulfilling EPR obligations, ensuring environmental stewardship in waste management.

**Leadership Indicators**

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% Of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
----------	---------------------------	---------------------------------	--------------------------------------------------------------------------	-----------------------------------------------------------	------------------------------------------------------------------------------

We are exploring feasibility of Life Cycle Perspective / Assessments in the upcoming years.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
---------------------------	-----------------------------------	--------------

Not Applicable, Refer response to Question 1 above under Leadership indicators

3. Percentage of recycled or reused input material to total material (by value) used in production (For manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Crumb powder, recycled rubber, rubberized friction compound, Recovered Carbon Black	0.51%	0.40%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed of.

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (Including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous Waste	NA	NA	NA	NA	NA	NA
Other waste: Crumb powder, Recycled rubber, rubberized friction compound, Recovered Carbon Black *	NA	4,964.23	NA	NA	4,519.70	NA

\*Purchased from recyclers

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	Nil

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chain.

We believe in fostering the well-being of every employee, extending care to those within our value chains. We advocate for a workplace culture that prioritizes and promotes the holistic welfare of all individuals, ensuring their dignity, safety, and fulfilment are upheld throughout our operations.

**Essential Indicators**

**1. a. Details of measures for the well-being of employees.**

Category	% Of workers covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)	
<b>Permanent workers</b>											
Male	2,669	2,669	100%	2,669	100%	NA	NA	0	0%	0	0%
Female	40	40	100%	40	100%	40	100%	NA	NA	0	0%
<b>Total</b>	<b>2,709</b>	<b>2,709</b>	<b>100%</b>	<b>2,709</b>	<b>100%</b>	<b>40</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent workers</b>											
Male	68	68	100%	68	100%	NA	NA	0	0%	0	0%
Female	1	1	100%	1	100%	1	100%	NA	NA	0	0%
<b>Total</b>	<b>69</b>	<b>69</b>	<b>100%</b>	<b>69</b>	<b>100%</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

**b. Details of measures for the well-being of workers:**

Category	% Of workers covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)	
<b>Permanent workers</b>											
Male	881	617	70.03%	881	100%	NA	NA	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	NA	NA	0	0%
<b>Total</b>	<b>881</b>	<b>617</b>	<b>70.03%</b>	<b>881</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent workers</b>											
Male	7,453	3,321	44.56%	7,453	100%	NA	NA	0	0%	0	0%
Female	28	3	10.71%	28	100%	28	100%	NA	NA	0	0%
<b>Total</b>	<b>7,481</b>	<b>3,324</b>	<b>44.43%</b>	<b>7,481</b>	<b>100%</b>	<b>28</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

Any matter in relation to health or accident for other than permanent workers is managed through 24\*7 Medical care at locations.

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	FY 2023-24	FY 2022-23
Cost incurred on wellbeing measures as a % of total revenue of the company	0.10%	0.09%

**2. Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF *	100%	100%	Yes	100%	100%	Yes
Gratuity *	100%	100%	Yes	100%	100%	Yes
ESI *	100%	100%	Yes	100%	100%	Yes
Others – please specify	Not Applicable					

\*To all eligible employees and workers

**3. Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, all our premises and offices are equipped with facilities to ensure accessibility of differently abled visitors / persons.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

We uphold a Diversity and Inclusion Policy which underlines our commitment towards providing equal opportunity that is in line with the Rights of Persons with Disabilities Act, 2016. This policy fosters diversity and inclusion across the organization, ensuring a discrimination-free workplace. It applies to all levels, from the Board of Directors to employees and workers. Employees are assured equal opportunities for growth and promotion, with measures to accommodate individuals with disabilities. We conduct regular training and monitoring to uphold this policy, with a grievance redressal mechanism in place.

**5. Return to work and retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	NA <sup>#</sup>	100%	NA	NA
<b>Total</b>	NA <sup>#</sup>	100%	NA	NA

<sup>#</sup>In FY 2023-24, one female permanent employee has availed maternity leave and is due to return to work in FY 2024-25, hence return to work rate is not applicable.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	Yes/ No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes, comprehensive grievance redressal procedures are established with various committees operating consistently. All the committees promptly address issues as they arise.
Other than Permanent Workers	
Permanent Employees	We adhere to an open-door policy as part of our open and transparent culture. Therefore, any employee can voice their issues to their functional leaders or heads.
Other than Permanent Employees	
	Workers can also directly approach the respective person in charge for any concerns. Additionally, we have established a grievance redressal portal on our website to record and resolve any type of grievances.

**7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:**

Category	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	2,709	0	0%	2,612	0	0%
Male	2,669	0	0%	2,569	0	0%
Female	40	0	0%	43	0	0%
<b>Total Permanent Workers</b>	881	221	25%	860	235	27%
Male	881	221	25%	860	235	27%
Female	0	0	0%	0	0	0%

## 8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(F/D)
<b>Employees</b>										
Male	2,669	2,669	100%	2,669	100%	2,569	2,569	100%	2,569	100%
Female	40	40	100%	40	100%	43	43	100%	43	100%
<b>Total</b>	<b>2,709</b>	<b>2,709</b>	<b>100%</b>	<b>2,709</b>	<b>100%</b>	<b>2,612</b>	<b>2,612</b>	<b>100%</b>	<b>2,612</b>	<b>100%</b>
<b>Workers</b>										
Male	881	881	100%	881	100%	860	860	100%	860	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Total</b>	<b>881</b>	<b>881</b>	<b>100%</b>	<b>881</b>	<b>100%</b>	<b>860</b>	<b>860</b>	<b>100%</b>	<b>860</b>	<b>100%</b>

Note: Only Permanent employees and Workers are accounted

## 9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	2,669	2,669	100%	2,569	2,569	100%
Female	40	40	100%	43	43	100%
<b>Total</b>	<b>2,709</b>	<b>2,709</b>	<b>100%</b>	<b>2,612</b>	<b>2,612</b>	<b>100%</b>
<b>Workers</b>						
Male	881	881	100%	860	860	100%
Female	0	0	0%	0	0	0%
<b>Total</b>	<b>881</b>	<b>881</b>	<b>100%</b>	<b>860</b>	<b>860</b>	<b>100%</b>

Note: Only Permanent employees and Workers are accounted

## 10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, all our workplaces confirm to the health and safety management system, which covers the workers and employees under our health and safety management processes and protocols. We ascertain that the employees and workers at the plant site receive the necessary trainings on a regular basis. The Health, Environment and Safety policy applies to the entire organization. The senior management has taken a pro-safety stance and setup the 'Environment, Health and Safety (EHS) Department' at each location. There is also a Safety Committee at respective plants comprised senior management and worker representatives. The safety committees and the EHS department cohesively assists the management in achieving safety objectives and ensures prevention of safety related incidents.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

All the plants of the entity have safety committees which execute all work-related to hazards and assess risk on a periodic basis. We have established the procedure for Hazard Identification & Risk Assessment to identify work-related hazards and assess risks & also have safety inspection & audit system to verify effectiveness. This is done on a regular basis to keep us informed of any dangers or risks that may arise as a result of our activities. We also ensure in being adept to establishing controls for work permit systems, Regular Safety and Fire Drills, External and internal Safety Audits, 5s Audits, Emergency siren and lights throughout plant, Fire Hydrant, portable fire extinguishers systems and fire tender, Safety committees, Safety Patrols, Annual Medical Health check-up for all employees, Safety and Health training awareness programs, New employee safety orientation, Accessibility to Occupational health centres across all plants of the Company. For routine tasks, a risk assessment exercise is conducted, and adequate controls are put in place to mitigate the identified risks. We have policies and procedures designed to ensure the health and safety of our employees and the products in our facilities. We are committed to providing a safe and healthy work environment for those working on, visiting, or living near our operations Further, our major operational site Bhuj is certified with ISO 45001:2018.

- c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

Yes, we have implemented workplace safety systems for capturing leading and lagging indicators related to work-related hazards across sites. Our system includes reporting of near-miss, safety observation, Night Duty Officers (NDO), awareness trainings, toolbox talk, and so on. The compliance is ensured by dedicated professionals at each site followed by periodical audits and monitoring. We also have ISO 45001:2018 certifications for our major operation and developed a safety system in line with the risk assessment. We have also implemented a "Hazard Identification and Risk Assessment" process to report and take adequate measures towards mitigation of work-related hazards.

In line with safety system of sites, workers can report on work-related hazards to respective nodal officers at plant locations.

- d. **Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?**

Yes, we conduct periodic health check-ups for employees and workers. At our manufacturing sites, we ensure that our employees and workers have access to health-care facilities such as health centre, ambulance, medical staff, etc. for non-occupational diseases. Our health centres / First-aid centres are equipped with necessary medical equipment. In addition, we have tied up with local multi-specialty Hospitals to deal with patients needing specialized care.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.09	1.63
Total recordable work-related injuries	Employees	0	0
	Workers	2	21
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

We make every effort to integrate safety into all business processes. We also have an internal safety audit mechanism in place to verify compliance with internal standards as well as statutory requirements. Workers are involved in safety audits & can report unsafe conditions in safety committee meetings. We make our best effort to resolve these issues in a timely manner. Safety incidents are reported, investigated and lessons learnt are communicated widely within the organization.

Measures taken to ensure safe and healthy workplace:

- A safe working environment is critical and is reinforced via ongoing learning of technical operations, machine handling, fire prevention and general workplace safety.
- Organize motivational Programs to enhance the safety awareness amongst the employees and Visual Safety display boards inside the plant.
- Conducting mock drill to strengthen the Emergency Preparedness & Response Plan.
- Pre safety assessment of newly installed machines before machine takes into regular operation.
- Establishment of Permit to work system, machine Safety inspection & Safety Patrol of the plant premises.
- We have also adopted a Corrective and preventive action (CAPA) system which builds a sustainable culture of safety through effective management of corrective and preventative actions at the right time.
- Each department conducts regular fire safety exercises and sessions to educate employees/workers and prevent any incidents. All plants are well equipped with fire hydrant systems that are backed by a variety of fire engines.
- Smoke detector/Heat detector installed at various places inside the plant. Flame proof fittings provided at solvent storage area. Water sprinkler system installed in fire prone areas.
- Material Safety Data Sheet (MSDS) display for the flammable chemicals at prominent location

There are well-trained medical professionals deployed at Occupational Healthcare centers across our factories and are committed to maintaining a safe and healthy working environment. Our employee can also avail periodic medical check check-up.

**13. Number of complaints on the following made by employees and workers:**

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	--	0	0	--
Health & Safety	0	0		0	0	

There were no complaints filed regarding working conditions or health and safety.

14. Assessments for the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% - All our plants and offices have been internally assessed for health and safety practices and working conditions
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

We have analysed the accident rates & implemented engineering control measures which were derived during incident investigation along with Hazard Identification & Risk Assessment. No major injuries or health and safety issues were reported and hence no corrective action(s) to report.

Leadership Indicators

1. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23

NA. There have been no instances of high consequence work-related injury / ill-health / fatalities during FY 2023-24 and FY 2022-23.

2. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, The Company does not provide a specific transition assistance program to facilitate continued employability and the management of career endings resulting from retirement or termination of employment. However, some of our highly qualified employees are retained as advisors post their superannuation. In addition, based on business requirement, fixed term work contract is extended to retiring employees, whenever required. During the employment, several skill upgradation programmes are imparted to employees to facilitate continued employability.

3. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	We do assess our value chain partners on certain aspects of health, safety and working conditions and we conduct regular audit and analyse our buying practices and internal policies to ensure that our value chain partners are complying with applicable laws, regulations, and industry standards.
Working conditions	

4. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risks were identified from assessment of health and safety practices and working conditions of value chain partners during the assessment in FY 2023- 24.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Our vital stakeholders, including government regulators, shareholders, consumers, suppliers, investors, and communities, advocate transparency in our sustainability efforts. We emphasize thorough quantitative and qualitative sustainability metrics to address critical concerns. Close collaboration with stakeholders is paramount in achieving sustainability goals, aligning actions with expectations, and mitigating risks while seizing opportunities.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

We strive to identify and nurture long-term partnerships with our internal and external stakeholders. Our approach to stakeholder identification and interaction is based on the concepts of materiality, comprehensiveness, and effective evaluation. Our strategy comprises identifying important stakeholders who are directly or indirectly impacted by business activity or who influence company decisions. The Stakeholder Relationship Policy is accessible on Company's Website.

We have conducted detailed Stakeholder Engagement and Materiality Assessment (SEMA) during the current year and as a part of the process, we have undertaken a 360-degree review of our business value chain to identify our key stakeholder groups and mapped stakeholder engagement mechanism. We have interacted with our key stakeholder groups and sought their valuable insights in identifying key material issues which are relevant to them. Based on SEMA, we have identified following stakeholders as our critical stakeholders:

1. Customers
2. Employees and workers
3. Communities / NGOs
4. Government Agencies, Industry Organizations and Educational Institutions
5. Shareholders and Investors
6. Suppliers and Vendors

However, this process is ongoing, and we continuously strive to identify additional stakeholders, if any.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	<ol style="list-style-type: none"> <li>1. Engagement sessions, Meetings and Workshops (Virtual and/or Face-to-face)</li> <li>2. By Appointment and membership of industry organizations</li> <li>3. Awareness program</li> </ol>	Regular engagement	We are greatly transformed by our customer's feedback, decisions, and choices. It is vital to interact with them on a regular basis and learn about their requirements, goals and current trends.
Employees and Workers	No	<ol style="list-style-type: none"> <li>1. Face-to-face meetings</li> <li>2. Engagement sessions</li> <li>3. Rewards and recognition</li> <li>4. Team building workshops</li> <li>5. Learning and Development</li> <li>6. Grievance redressal mechanism</li> <li>7. Festivities and Celebrations</li> </ol>	Regular engagement	They contribute significantly to the development and expansion of a strong and adaptable business. Their collective knowledge and experience are crucial for the business's fundamental functions, product innovation, design and profitability.
Communities / NGO's	Yes	<ol style="list-style-type: none"> <li>1. Project Meetings</li> <li>2. Community interactions with NGOs</li> <li>3. Grievance mechanisms</li> <li>4. Print Media</li> <li>5. Rural relief activities</li> <li>6. Gram Panchayat meetings</li> </ol>	Need-based engagement	We work with non-governmental organizations (NGOs) to carry out CSR projects. We think it is critical to build connections with communities and NGOs in order to comprehend their needs and goals and properly align our project ideas.
Government Agencies, Industry Organizations and Educational Institutions	No	<ol style="list-style-type: none"> <li>1. Website and portals</li> <li>2. Industry meets, Seminars</li> <li>3. Education – Conclaves and Campus Hiring</li> <li>4. Official / Site visits</li> <li>5. Events and Sponsorships</li> </ol>	Need-based engagement	We engage with Government Agencies and Industry Organizations as and when any approval/permission or assistance regarding applicability or clarification of statutes is required or to discuss industry leading policies. To attract talent and resources from diverse background, we engage with educational institutions.
Shareholders and Investors	No	<ol style="list-style-type: none"> <li>1. Annual general shareholders meeting</li> <li>2. Quarterly Financial result declaration</li> <li>3. Media Release, Investors Call and email</li> <li>4. One to One physical meet and phone call</li> </ol>	Need-based engagement	We engage with them to communicate performance of the Company as well as to resolve their grievance, if any.
Suppliers and Vendors	No	<ol style="list-style-type: none"> <li>1. E-mails, phone calls and plant visits.</li> <li>2. Awareness program</li> </ol>	Regular engagement	We engage with our suppliers to ensure quality, business continuity and confirmation on Supplier Code of Conduct. A grievance mechanism portal is set up in your website for them to raise complains or issues.

## Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

We believe that consultation with our stakeholders is an ongoing process, and we are actively involving our internal and external stakeholders, including the board, in discussions and surveys on ESG (Environmental, Social, and Governance) topics. By analysing their feedback, we aim to identify key focus areas crucial for Balkrishna Industries Limited's sustainability initiatives. These engagements through workshops and surveys enable us to understand stakeholders' perspectives and prioritize sustainability goals aligned with our business strategy. Moreover, we provide shareholders with the opportunity to interact with all board members on an annual basis during Annual General Meeting. This enables the Company to keep track of changing requirements and concerns of various stakeholders and ensures that we take appropriate measure. The insights gained will guide us in defining and advancing our sustainability journey, ensuring we address pertinent issues and create meaningful impact across our operations and communities.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Our stakeholders such as employees, shareholders, investors, customers, value chain partners etc. are systematically engaged by various functions. Our Board of Directors regularly seek feedback on the status of various functions and provide directions for improving practices wherever applicable.

We also regularly consult our internal and external stakeholders to identify and manage material topics. Based on materiality assessment, we have prioritized 11 sustainability topics for implementation. The Board of Directors are regularly apprised about the materiality as well as the other sustainability initiatives intended to address the material topics as identified during the materiality assessment. Please refer to Section A of this BRSR for an overview of the top material issues for our company.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

Our company is committed towards contributing to a sustainable future. Our CSR initiatives focus on integrating vulnerable and marginalized groups, ensuring their inclusion and empowerment through various programs like: Healthcare, Rural Development and Education.

For more details, please refer Annual CSR report under the Annual Report.

**Principle 5: Businesses should respect and promote human rights.**

We prioritize a healthy, safe, and inclusive workplace, extending human rights policies and benefits to employees and partners. We systematically integrate human rights into operations, fostering decent working conditions, safeguarding stakeholders' rights, and promoting diversity and inclusion.

**Essential Indicators**

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	2,709	2,709	100%	2,612	2,612	100%
Other than permanent	69	69	100%	45	45	100%
Total employees	2,778	2,778	100%	2,657	2,657	100%
<b>Workers</b>						
Permanent	881	881	100%	860	860	100%
Other than permanent	7,481	7,481	100%	5,963	5,963	100%
Total workers	8,362	8,362	100%	6,823	6,823	100%



**2. Details of minimum wages paid to employees and workers, in the following format**

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	2,669	0	0%	2,669	100%	2,612	0	0%	2,612	100%
Female	40	0	0%	40	100%	43	0	0%	43	100%
<b>Other than Permanent</b>										
Male	68	0	0%	68	100%	45	0	0%	45	100%
Female	1	0	0%	1	100%	0	0	0%	0	0%
<b>Workers</b>										
<b>Permanent</b>										
Male	881	0	0%	881	100%	860	0	0%	860	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Other than permanent</b>										
Male	7,453	0	0%	7,453	100%	5,963	0	0%	5,963	100%
Female	28	0	0%	28	100%	0	0	0%	0	0%

**3. Details of remuneration/salary/wages, in the following format:**
**a. Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BoD)	6	53,39,684	2	10,50,000
Key Managerial Personnel	1	2,41,60,887	0	NA
Employees other than BoD and KMP	2,665	7,26,024	40	6,26,706
Workers	881	3,82,200	0	NA

**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Gross wages paid to females as % of total wages	1.26 %	1.33 %

**4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, we have a focal point responsible for addressing human rights matters. HR Heads in consultation with Plant Heads of respective Unit as well as Head Office to handle human rights issues or challenges caused or contributed to/by the business. They all are in charge for responding to any issues or complaints voiced by internal or external stakeholders in this regard.

Our Human Rights and Labor Policy is designed with the aim of raising awareness about human rights throughout our Company and strengthening our capacity to manage issues related to this topic.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Human Rights Policy elaborates on the grievance mechanism. The policy is available at the Company's website at: Human Rights and Labour Policy and is applicable to all value chain partners as well. All employees and workers can raise grievances to their line manager. If any employee or worker has concerns, their reporting manager or site-human resources head is their first point of contact. In case the employee or worker wants to anonymously report an issue, a grievance can be raised on a dedicated web portal, which is accessible to all stakeholders. The grievances can be raised with the Company as stated in the Policy which is accessible on Company's website. All the grievances received are duly investigated and appropriate actions are taken to resolve the issue / complaint. Whenever required, disciplinary actions are initiated as deemed fit and assistance from regulatory authority is sought.

## 6. Number of Complaints on the following made by employees and workers:

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	--	0	0	--
Discrimination at workplace	0	0	--	0	0	--
Child Labour	0	0	--	0	0	--
Forced Labour/ Involuntary Labour	0	0	--	0	0	--
Wages	0	0	--	0	0	--
Other human rights related issues	0	0	--	0	0	--

## 7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

## 8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We are committed to protecting the rights of all our employees and workers and provide them with a work environment free of physical, verbal, or mental abuse. We also have "zero tolerance" for harassment based on race, colour, religion, sex, sexual orientation, gender identity or expression, pregnancy, age, national origin, disability, sexual harassment and/or other actions that might promote an objectionable or work intimidating environment, including unwanted or unsolicited sexual approaches. We have enforced a policy on prevention of sexual harassment at the workplace with a mechanism of receiving and redressing complaints and have formed a committee to supervise its smooth functioning. The policy also ensures that there are no adverse consequences to the complainant in discrimination and harassment cases. As a matter of policy, we keep the complainant's name anonymous.

We have formulated and implemented Whistle-blower, Prevention of Sexual Harassment (POSH), and Diversity & Inclusion policies to effectively prevent adverse consequences in discrimination and harassment cases. The purpose of these policies is to strengthen our commitment towards providing a workplace that is free from discrimination with equal opportunity for all. We encourage our employees and workers to report any incident related to discriminatory behaviour and follow strict confidentiality measures with respect to confidential information regarding the incident.

## 9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, Human rights requirements form part of our business agreements and contracts whenever we deal with value chain partners.

## 10. Assessments of the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

\*The assessments are conducted by the Company itself.

## 11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Nil.

**Leadership Indicators**
**1. Details of a business process being modified / introduced because of addressing human rights grievances/complaints.**

The Company has a robust human rights due diligence process through which it continuously assesses and improves its ability to respond to any negative human rights impacts. No such business process was modified / introduced as no significant grievances / complaints were received on human rights during reporting period.

**2. Details of the scope and coverage of any Human rights due diligence conducted**

We maintain and ensure compliance to aspects of human rights in our operations including our value chain partners. The Company is in process of enhancing its Human rights due diligence process and mechanisms to cover more risk-based approach at each location. Further, we periodically assess and encourage our suppliers to comply with applicable laws covering key aspects of human rights and workers' rights aligned with national and international regulations. Human rights are one of the important parameters of the supplier onboarding process and all suppliers are required to comply with our Supplier Code of Conduct.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, all our premises and offices are equipped with facilities to ensure accessibility of differently abled visitors/ persons.

**4. Details on assessment of value chain partners:**

	<b>% Of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual harassment	We recognize that our value chain partners operate independently but their practices can impact our business. we regularly audit and review our purchasing practices and internal policies. This ensures that our partners align with relevant laws, regulations, and industry norms.
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

No such significant risk has been identified during this reporting year.

**Principle 6: Businesses should respect and make efforts to protect and restore the environment.**

We recognize the vital importance of environmental stewardship. We believe it is imperative for businesses to demonstrate respect for the environment by actively engaging in efforts to protect and restore it. Through sustainable practices and innovation, we strive to minimize our ecological footprint and contribute to the preservation of natural resources. By prioritizing environmental responsibility in our operations, we aim to foster a healthier planet for current and future generations.

**Essential Indicators**
**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
<b>From Renewable Sources</b>			
Total electricity consumption (A)	GJ	29,069	27,438
Total fuel consumption (B)	GJ	751	737
Energy consumption through other sources (C)	GJ	--	--
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>GJ</b>	<b>29,820</b>	<b>28,175</b>
<b>From Non-Renewable Sources</b>			
Total electricity consumption (D)	GJ	3,93,177	5,33,165
Total fuel consumption (E)	GJ	63,06,710	56,53,894
Energy consumption through other sources (F)	GJ	--	--
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>GJ</b>	<b>66,99,887</b>	<b>61,87,059</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>GJ</b>	<b>67,29,707</b>	<b>62,15,234</b>
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	GJ/Lakh INR	7.24	6.34
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) *(Total energy consumed / Revenue from operations adjusted for PPP)		165.59	144.95
<b>Energy intensity in terms of physical output</b>	<b>GJ/Mt of production</b>	<b>15.43</b>	<b>14.73</b>

\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Bureau Veritas (India) Private Limited has carried out external independent assurance for the above disclosure.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

We do not have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India, hence the above indicator is not applicable to us.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	*FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	--	--
(ii) Groundwater	1,90,312	3,37,072
(iii) Third party water (Municipal water supplies)	17,26,223	16,41,025
(iv) Seawater / desalinated water	--	--
(v) Others (Rainwater)	19,447	25,872
<b>Total volume of water withdrawal (in kilolitres)</b>		
(i + ii + iii + iv + v)	19,35,982	20,03,969
<b>Total volume of water consumption (in kilolitres)</b>	19,33,589	20,01,838
<b>Water intensity per rupee of turnover (KL/lakh INR)</b>	2.08	2.04
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> *(Total water consumption / Revenue from operations adjusted for PPP)	47.58	46.69
<b>Water intensity in terms of physical output (kilolitres / Mt of production)</b>	4.43	4.75

\* The value of water withdrawal for FY 2022-23 have been recalculated and restated wherever applicable due to certain re-classification and change in methodology of computation in order to maintain a consistent approach.

\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency.

Yes, Bureau Veritas (India) Private Limited has carried out external independent assurance for the above disclosure.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23*
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To Surface water</b>		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
<b>(ii) To Groundwater</b>		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
<b>(iii) To Seawater</b>		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
<b>(iv) Sent to third parties</b>		
- No treatment	2,393	2,131
- With treatment – please specify level of treatment	--	--
<b>(v) Others</b>		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
<b>Total water discharged (in kilolitres)</b>	2,393	2,131

\* The value of water discharge for FY 2022-23 have been recalculated based on Guidance as per National Building Code 2016, Vol. 2, Part 9 Section 1, Clause 4.1.2 and restated.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Bureau Veritas (India) Private Limited has carried out external independent assurance for the above disclosure.

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Our sites are equipped with ETP for treatment of industrial effluent. Further to achieve Zero liquid discharge MEE (Multi effect Evaporator) has been installed at our significant operation sites covering Bhuj and Waluj plants. Treated water is again utilised into operations.

Our sites have installed Sewage Treatment Plant (STP) to treat domestic effluents. Treated water is used for horticulture purpose. We ensure that no liquid effluents are discharged, and water resources are utilized with utmost care.

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	mg/nm <sup>3</sup>	75.94	61.64
SOx	mg/nm <sup>3</sup>	65.84	112.39
Particulate Matter (PM)	mg/nm <sup>3</sup>	27.88	41.20
Persistent Organic Pollutants (POP)	NA	NA	NA
Volatile organic Compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Bureau Veritas (India) Private Limited has carried out external independent assurance for the above disclosure.

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	MtCO <sub>2</sub> e	6,29,185	5,08,202
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	MtCO <sub>2</sub> e	78,216	1,06,041*
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MtCO <sub>2</sub> e	0.76	0.63
<b>Total Scope 1 and Scope 2 emission intensity adjusted for Purchasing Power Parity</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) #	MtCO <sub>2</sub> e / Lakh INR	17.41	14.33
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	MtCO <sub>2</sub> e/Mt of production	1.62	1.46

\* The value of scope 2 emissions for FY 2022-23 have been recalculated and restated due to adoption of RES weighted average emission factor as per Central Electricity Authority,

#The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Bureau Veritas (India) Private Limited has carried out external independent assurance for the above disclosure.

**8. Does the entity have any project related to reducing Greenhouse Gas emissions? If yes, then provide details.**

Yes, our plants are actively engaged in numerous projects aimed at mitigating greenhouse gas emissions. We rigorously oversee the production of green energy and the execution of emission reduction schemes. Our focus is on integrating wind and solar power into our operations while consistently implementing diverse emission reduction programs. Through continuous process innovation, emissions are curtailed across our facilities. The ethos of Kaizen, emphasizing perpetual improvement, permeates our approach. Among the initiatives undertaken at our plants are various measures to enhance environmental sustainability, reflecting our commitment to reducing our carbon footprint and fostering a greener future. The following are some of the initiatives at our facilities.

- In FY 2023-24, approximately 7.4% of our grid power requirement was sourced from renewable energy sources. This also led to a reduction of carbon footprint.
- We have also adopted the usage of various energy saving projects, such as installation of energy efficient pumps, energy efficient fan usage etc.

- We have replaced IE1 type motors with energy efficient IE3 type motors.
- We have replaced centrifugal fans with Axial flow fans and installed variable frequency drives (VFDs) to control energy consumption and indirect GHG emissions.
- In cooling towers, the return header was modified to avoid make up losses – resulting in a reduction in energy consumption.
- Adoption of Lighting automation across our premises: Fixtures are equipped with machine wise, area wise, streetlights with timers.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	2,424.64	3,113.80
E-waste (B)	239.81	115.79
Bio-medical waste (C)	0.02	0.03
Construction and demolition waste (D)	0.00	0.00
Battery Waste (E)	15.22	12.91
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Please specify, if any. (G)	715.60	511.05
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)		
Other Wastes	20,692.96	18,252.51*
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>24,088.25</b>	<b>22,006.09</b>
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (Mt/Lakh INR)	0.03	0.02
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)*	0.59	0.51
Waste intensity in terms of physical output (Mt of total waste generated/ Mt of production)	0.06	0.05

**For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)**

Category of waste		
(i) Recycled	14,206.23	10,668.07*
(ii) Re-used	9,676.87	11,192.00*
(iii) Other recovery operations	--	--
<b>Total</b>	<b>23,883.10</b>	<b>21,860.07</b>

**For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)**

Category of waste		
(i) Incineration	0.00	0.03
(ii) Landfilling	205.14	145.99
(iii) Other disposal operations	--	--
<b>Total</b>	<b>205.14</b>	<b>146.02</b>

\* The value of waste generated and other relevant disclosures for FY 2022-23 have been recalculated and restated due to certain re-classification and change in methodology of computation in order to maintain a consistent approach.

\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Bureau Veritas (India) Private Limited has carried out external independent assurance for the above disclosure.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We meticulously manage both hazardous and non-hazardous waste in accordance with applicable laws and regulations and ecological best practices. With a commitment to setting industry benchmarks, we embrace the circular economy ethos. We aim to achieve zero waste to landfill by thoroughly assessing all business processes for potential waste generation, exploring alternative resources, technologies, and processes, and continuously monitoring and improving our waste management efforts. .

- We have an established a Hazardous Waste Handling Procedure to regulate waste management effectively, alongside a separate hazardous waste storage facility in line with the permissible method.
- Distinct areas are designated for process scrap and non-process scrap, with segregated waste bins within the plant.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
--------	---------------------------------	--------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------

We do not have any operational sites that fall under the ecological sensitive zones as stated by government authorities

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether Conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-----------------------------------	----------------------	------	-------------------------------------------------------------	--------------------------------------------------	-------------------

Not Applicable for the reporting period.

13. Is the entity compliant with the applicable environmental law / regulations / guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
--------	-----------------------------------------------------------------------	---------------------------------------	-----------------------------------------------------------------------------------------------------------	--------------------------------

Yes, the Company is 100% compliant with the applicable environmental law/ regulations/ guidelines in India.

#### Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area: Bhuj, Bhiwadi, Chopanki and Waluj plants are located in over exploited and semi-critical category of water stress area as per Central Ground Water Board (CGWB).
- (ii) Nature of operations: Tire Manufacturing
- (iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2023-24	*FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	1,90,312	3,37,072
(iii) Third party water	17,18,866	16,34,448
(iv) Seawater / desalinated water	0	
(v) Others (Recycled) Recovered water from Treated Effluent	19,447	25,872
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>19,28,626</b>	<b>19,97,392</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>19,28,626</b>	<b>19,97,392</b>
<b>Water intensity per rupee of turnover (KL/ 1 Lakh INR)</b>	<b>2.07</b>	<b>2.04</b>
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	-	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) Into Surface water</b>		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
<b>(ii) Into Groundwater</b>		
- No treatment	--	--

- With treatment – please specify level of treatment	--	--
<b>(iii) Into Seawater</b>		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
<b>(iv) Sent to third parties</b>		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
<b>(v) Others</b>		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
<b>Total water discharged (in kilolitres)</b>	--	--

\* The value of water withdrawal for FY 2022-23 have been recalculated and restated wherever applicable due to certain re-classification and change in methodology of computation in order to maintain a consistent approach.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Bureau Veritas (India) Private Limited has carried out external independent assurance for the above disclosure.

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	-	-
<b>Total Scope 3 emissions per rupee of turnover</b>	-	-	-
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Currently, the Company is in process of the quantification for Scope 3 emission

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

None, of our manufacturing site nor office premises are in and/or around ecological sensitive areas where environmental approvals/ clearances are required, hence it is not applicable to us.

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Water Conservation Initiative	Installation dry cooling tower for reduction of water, Improvement of condensate recovery from plant and reused at boiler	Reduction in water withdrawal
2	Water Saving	Increased reuse of rainwater into process. Push taps utilized in place of conventional taps to avoid water loss	Reduction of freshwater consumption
3	Heat recovery from boiler gas	Usage of HI line dome flash recovery for boiler make-up water heating	Reduction in Consumption of PNG Gas
4	Energy conservation by replacing with energy efficient motors	By replacing IE-1 type motor with IE-3 type energy efficient motors	Reduction in GHG emission
5	Installation of Electro-Static Precipitators	Installation and commissioning of ESP at IBL two boilers.	Reduction in Air emission
6	Increase in Solid Waste Utilization	Residues and Sludge generated at few sites being sent to Cement industry for reutilization instead of landfill	Reduction in waste to landfill



**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes, business continuity and disaster management plan and policy are in place at all manufacturing units and mock drills are conducted for the same. We recognize the importance of maintaining seamless operations even in the face of unforeseen challenges. We conduct regular business impact assessments (BIA) to identify potential threats to our operations, including but not limited to natural disasters, supply chain disruptions, hazards, and public health crisis. We are committed to implement robust mitigation strategies to minimize the impact of these risks on our business. Compliance issues are also periodically reviewed and monitored closely by the leadership team.

We ensure to maintain comprehensive business continuity plans that outline procedures for responding to various applicable scenarios as per National Disaster Management Authority Guidelines. These plans ensure readiness and effective response to various scenarios.

We work closely with our suppliers to identify vulnerabilities and implement measures to enhance the resilience of our supply chain. We ensure that all our critical vendor dependences have backups in place. In addition, to safeguard our data and IT systems, we conduct regular risk assessment and audits on our cyber security systems internally and by engaging with independent experts/agencies. Our Business Continuity Policy is available on our website.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

No significant adverse impact envisaged/ came to our notice during reporting period. We conduct assessments of our value chain partner, based on ESG and quality indicators at periodic intervals and handhold them to achieve progress on their sustainability journey. Further we also emphasize our value chain partners to adopt ISO 14001 i.e. Environmental Management Systems (EMS) to strengthen their environmental practices.

**Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

We are committed to expanding our ability to serve diverse audiences in Tires market. We focus on public policy advocacy, raising awareness, mobilizing our workforce, and garnering stakeholder support. Upholding ethical practices, we emphasize gender equality and inclusivity while utilizing technology and research to advance sustainability and tackle environmental issues efficiently.

**Essential Indicators**

**1.a. Number of affiliations with trade and industry chambers/ associations.**

We actively collaborate and communicate with trade and industry chambers / associations to maintain connections and address shared concerns affecting business and communities. Presently, we are associated with 10 leading trade and industry chambers / associations, fostering exchanges of insights, and driving positive transformations in the agricultural sector. These affiliations offer valuable opportunities to contribute to industry growth and development. By engaging in these alliances, reaffirms our dedication to promoting sustainable practices and making a significant difference in the communities we serve.

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	All India Rubber Industries Association (AIRIA)	National
2	Bombay Chamber of Commerce (BCC)	National
3	Chemical and Allied Export Promotion Council of India (CAPEXIL)	National
4	Federation of Indian Export Organization (FIEO)	National
5	IMA Chief Human Resource Officer Forum (CHRO)	National
6	The European Tire and Rim Technical Organization (ETRTO)	International
7	The Tire and Rim Association (T and RA)	International
8	Bhiwadi Manufacturers Association (BMA)	National
9	Chambers of Marathwada Industries and Agriculture (CMIA)	National
10	International Trademark Association	International

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

**Leadership Indicators**

**1. Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
	Nil	-	-	-	-

Principle 8: Businesses should promote inclusive growth and equitable development.

Globalization and technological progress have led to rapid economic expansion, but the resulting advantages have not been equally distributed. We seek to rectify this disparity by addressing heightened economic and social instability, as well as global challenges. We prioritize embedding Inclusive Growth into vital business choices, providing a framework for both our company and investors.

#### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain. (Yes / No)	Relevant Web Link
No SIA Conducted in the reported period	-	-	-	-	-

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% Of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

We maintain Grievance Redressal Mechanism for our stakeholders including community. We consistently engage with local communities and closely work with them for their development. Further, if we come across any grievances during the engagement, we take appropriate measures to address the same. Additionally, the community members can also contact plant administration for any additional interaction and support.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Directly sourced from MSMEs / small producers	4%	4%
Directly from within India	46%	40.94%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location	FY 2023-24	FY 2022-23
Rural	14.12	14.22
Semi-urban	12.75	13.04
Urban	44.99	45.61
Metropolitan	28.14	27.13

Note: Places are categorized as per RBI Classification System (rural / semi-urban / urban / metropolitan) for census 2011 and numbers mentioned above are specific to India geography.

#### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
NIL			

3. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefitshared (Yes / No)	Basis of calculating benefit share
Not Applicable				

4. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NA	NA	NA

5. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
1	Bhuj Gujarat Projects in the area towards education, health, and infrastructure support for the benefits of Bhuj and nearby villages.	143209	85.73%
2	LNM Group Lions Hospital and Research Centre, Bhuj Contribution for Minibus to facilitate free bus service to poor patients from remote places in Kutch region, Ravalwadi Relocation site, Bhuj-Kutch 370001 Gujarat, total number of patients 4500 Annually benefit from this service.	4500	100%
3	The Child Welfare Trust, Bhuj Contribution for school bus using transport facilities total 125 students, parents, staff, and Therapy equipment for Vocational training for 130 students to Dhanvantari School, Near Changleshwar Mahadev Mandir, Mirzapur Road, Bhuj-Kutch-370001	125-130	100%
4	Sapna, New Delhi Supporting construction of 2 (Two) classroom in school of Sapna Shiksshalaya, primary section, ground floor at village Bala Dehra Dist Alwar -301023 Rajasthan. It provides education and transpiration facilities to 277 girls from 17 neighbouring villages of Alwar district	277	100%
5	Enviro Creators Foundation, Mumbai Partnering for plantation of 30,000 trees using the Japanese Technique Miyawaki method for Smritivan Memorial Project at Bhuj.	N.A.	N.A.
6	Dr. Babasaheb Ambedkar Vaidyakiya Pratishtan, Aurangabad Company agrees to partner with BAVP for expansion of the hospital infrastructure, the Trust has undertaken to build an additional floor (3rd floor) which will host 4 General Wards comprising of 120-beds, OPD for Super Specialists, ICU for Neurology, Multi-purpose hall and additional admin infrastructure. This project will support medical treatment of approximately 50000 patients per year.	50000	85%
7	Swasthya Vidhya Foundation, Mumbai Contribution towards Corpus fund, the income from which will be used for the medical support to the economically weaker patients Viz. Subsidized medication cost for 10 patients per month, subsidized surgical intervention being prosthetic hip or knee replacement for up to 3 patients per year.	13	100%
8	Muktangan Education Trust, Mumbai Contribution for the provision of quality, holistic, inclusive education to the approx. 495 students and in-service teacher education to the 68 teachers and teacher educators in Gokhale Road South Mumbai Public School, Dadar (West)-Mumbai-400025	563	100%
9	The Akshyapatra Foundation, Bangalore Partnering for serving Mid-day meals to 28000 Children in various school at Bhuj (Gujarat)	28000	100%
10	The Akshyapatra Foundation, Bangalore providing for Bhuj Kitchen - Electric Vehicle 5, Branding changes on existing fleet 1,,Vehicle parking area shed and fabrication, ETP Area Shed & fabrication, PNG Gas skid station shed and fabrication, Eco CNG Vehicle, Mechanical Ladder, Circular Gas Batch Fryer with Extruder, Potato Peeler1200/1500 Kg per hour, Solar street lights 20, Grass cutter machine, Lubi Pump for dewatering system and Biogas 5 HP, Insecticutor (Pesto flash) 8, Solar roof top 22.6 KW extension Monocrystalline, and Miscellaneous kitchen utilities etc.	50000	100%

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
11	Panna Narendra Dalal Charitable Trust, Mumbai Contribution for food to needy in Borivali, Mumbai as trust distribute more than 125 food packets on daily basis.	125	100%
12	Bhiwadi Miscellaneous Expenses in education and rural development at Bhiwadi and Chopanki	N.A.	N.A.
13	Sunshine Society, Noida Partner with Sunshine Society to initiate a skill enhancement project in the Noida region of Uttar Pradesh. this initiative would benefit around 150 children.	150	100%
14	Deepsikha, Mumbai Contribution for free meals to Cancer patients and their family members approx. 3500, at Arogya Bhawan in Vashi, Navi Mumbai- Maharashtra	3500	100%
15	KEM Hospital, Mumbai Provided CUVIS Joint fully automated artificial joint surgery robot with automatic cutting function based on Navigation System This equipment will play a role in assisting surgeon in surgery with preoperative planning of knee arthroplasty. Approx. 100-150 patients to be treated in a year.	100-150	100%
16	Shirodkar Hospital Trust, Thane Contribution for providing Ultrasound System with 3 probes in order to undertake diagnosis of various patients by way of Sonography to Asian Institute of Medical Sciences (AIMS), M.I.D.C, Milap Nagar, Dombivli East, Dist. Thane-421303 Maharashtra. This system will be used to diagnose 12 to 15 patients per day approx.	150-180	80%
17	Shreyas Medicare, Vapi Contribution for provide Cardio Soft Machine and Echo ultrasound system to Maniben Nagari Mehta (Valwada) Hospital, Kachigam Road, Vapi West-396191 Gujarat. Its emergency department handles 25 to 30 patients daily.	300-360	80%
18	Shri Vinoba Bhave Civil Hospital, Silvassa Provided Tata Winger Shell 3488 with Fabrication and modification into Type D Ambulance to Government hospital Shri Vinoba Bhave Civil Hospital, Sayli Road, Silvassa, Dadra and Nagar Haveli and Daman and Diu 396230	Not Available	100%
19	Marwad Hospital, Daman Provided Tata Winger Shell 3488 with Fabrication and modification into Type D Ambulance to Marwad Hospital (Government Hospital), Devka Beach Road, Opp. Daji ni wadi, Nani Daman, Daman, Dadra and Nagar Haveli and Daman and Diu 396210	Not Available	100%
20	Dr Babasaheb Ambedkar Municipal General Hospital, Mumbai Provided ENT laparoscopy set - Arthrex 4k Ultra Camera System, 1.9MM Arthroscope Set, Endoscopes,4K Laparoscope and Trolley to Dr Babasaheb Ambedkar Municipal General Hospital, Opp. Kandivali Police Station, S V Road, Kandivali (west) Mumbai-400067	Not Available	100%
21	Lokmanya Tilak Municipal Medical College and General Hospital, Mumbai Provided CUVIS Joint fully automated artificial joint surgery robot with automatic cutting function based on Navigation System. Approx. 150 patients to be treated in a year at Dr. Ambedkar Road, Sion, Mumbai -400022	150	100%

**Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.**

We advocate for responsible consumer engagement, emphasizing the provision of value to our customers. We believe in establishing meaningful connections by delivering products and services that meet their needs while upholding ethical standards. By prioritizing responsible practices, we aim to foster trust and loyalty within our consumer base. Through this approach, we ensure that every interaction with our brand adds value to the lives of our customers while promoting sustainable business growth.

**Essential Indicators**
**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

As a consumer-centric organisation, we value all customer feedback and have set up various channels through which customers can reach out to us.

To achieve their expectations and satisfactory resolutions to their complaints, we have robust customer feedback management process. This process has evolved over the years, and it ensures not only appropriate registration of customer's grievances but also ensures timely resolutions. The customers can reach out to the Company through various communication channels such as Grievance portal, emails, phone calls etc. The customer feedback is then diverted to expert's team known as Techno-commercial team for suitable and timely resolutions. Further, we also conduct customer assessment surveys to consistently improve our product quality and customer satisfaction.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

**3. Number of consumer complaints in respect of the following:**

	FY 2023-24 (Current FY)		Remarks	FY 2022-23 (Previous FY)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	--
Advertising	0	0	--	0	0	--
Cyber-security	0	0	--	0	0	--
Delivery of essential services	NA <sup>#</sup>	NA <sup>#</sup>	--	NA <sup>#</sup>	NA <sup>#</sup>	--
Restrictive Trade Practices	0	0	--	0	0	--
Unfair Trade Practices	0	0	--	0	0	--
Other – Product related*	10,040	1,817	*	5,991	6	*

\* Pending complaints are in process of resolution.

<sup>#</sup> We do not deliver essential services

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	--	Not Applicable
Forced recalls	--	Not Applicable

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

We maintain a strong framework and Cybersecurity and Data Privacy Policy to manage cybersecurity and data privacy risks effectively. We prioritize safeguarding business information and stakeholder privacy. Our Cybersecurity and Data Privacy Policy sets out stringent measures and guidelines for handling, storing, and transmitting data within our organization. Through proactive measures, we underscore our commitment to protect sensitive information and uphold stakeholder trust and confidence.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of consumers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

There has been no such instance occurred during this reporting year.

7. **Provide the following information relating to data breaches:**

- a. **Number of instances of data breaches along-with impact.**

Nil

- b. **Percentage of data breaches involving personally identifiable information of consumers**

Nil

- c. **Impact if any of the breaches**

NA

**Leadership Indicators**

1. **Channels / platforms where information on products and services of the of the entity can be accessed (provide web link, if available).**

Our product information is available on our website. We also organize and participate in various events to spread awareness about our products. For any additional information regarding our products and services, stakeholders can also reach out to us via various communication channels.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

We ensure that each product comes with safety guidelines compliant with various standards such as European Tyre and Rim Technical Organisation ('ETRTO') Standard. Additionally, we provide customers with Standard Operating Procedures (SOPs) for safe and responsible use of tires. Through regular events, we educate customers on safe and proper product usage. Our commitment lies in promoting awareness and ensuring that our customers understand the importance of safe and responsible handling of our products.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

We do not deal with any essential services, however, in event of any disruption or discontinuation of services, the Company has defined mechanisms in place to inform its stakeholders through its website, emails, telephone, distributor networks etc. Our Business Continuity Policy covers above aspects as well.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey about consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, we display all relevant product information in accordance with the applicable standards as well as the standards of the countries where our products are exported as may be required. Over and above the mandatory requirements, we also display additional product information which enables customer/consumer to use our final product more efficiently.

Yes, we conduct customer satisfaction surveys on a regular basis and the results are presented during management review meeting. A periodic Customer Satisfaction Survey is conducted as part of a quality management checks. Interactions with customers at various forums also acts as a source of feedback.

## INDEPENDENT ASSURANCE STATEMENT

To,

### **Balkrishna Industries Ltd.**

Regd. Office: B-66, Waluj MIDC, Waluj Industrial Area, Chatrapati Sambhaji Nagar, 431136  
– Maharashtra

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

### **1. INTRODUCTION AND OBJECTIVES OF WORK**

Bureau Veritas (India) Pvt. Ltd. has been engaged by Balkrishna Industries Ltd, India (hereafter stated as "BKT" or the Company) to conduct an independent assurance of the Non-Financial Parameters of its Business Responsibility & Sustainability Report (BRSR) including BRSR Core for the reporting period from 01.04.2023 to 31.03.2024 (i.e., F.Y. 2023-24). BKT has prepared document as per BRSR with stated parameters for the period (F.Y 2023-24), based on which this overall assessment has been carried out. This Assurance Statement applies to the related information included within the scope of work described below.

The selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, selection of datapoints/information, preparation, and presentation of information in the BRSR including Core parameter and the supporting documentation for the BRSR is the sole responsibility of the management of "BKT". Bureau Veritas was not involved in the drafting or preparation, back-up or presentation of the BRSR. Our sole responsibility was to provide independent assurance on its content.

### **2. INTENDED USER**

The assurance statement is made solely for 'BKT' as per the governing contractual terms and conditions of the assurance engagement contract between "BKT" and Bureau Veritas. To the extent that the law permits, we owe no responsibility and do not accept any liability to any other party other than "BKT" for the work we have performed for this assurance report or for our conclusions stated in the paragraphs below.

### **3. SCOPE OF WORK**

#### **The scope of work for the assurance included.**

- Checking that the data and information included in the BRSR including core parameters for the reporting period from 01.04.2023 to 31.03.2024 was fairly presented without material misrepresentation.
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyze, and review the information reported.
- Reporting period: 01/04/2023 to 31/03/2024
- The assurance process was conducted in line with the requirements of the Accountability Assurance Standard (AA1000AS) version 3, Type 2 High assurance and internal protocol of Bureau Veritas.

**Level of assurance:**

- “Type 2 High” as per Accountability Assurance Standard (AA1000AS) version 3, which is equivalent to “reasonable” assurance as defined in ‘International Standard on Assurance Engagements’ (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board.

**Methodology used to conduct the assurance:** As part of its independent assurance, Bureau Veritas undertook the following activities:

- Verification was done on site as well as by remote (desktop) mode at the sites and interviewed relevant personnel of BKT.
- BKT initially submitted the “Draft report: BRSR FY 2023-24” as prepared, for the units under the reporting boundary
- The data management systems and procedures were assessed on a sampling basis. Data on the various BRSR disclosures were verified.
- The work was planned and carried out to provide a “Reasonable” level of assurance and we believe it provides an appropriate basis for our conclusions.

The reporting boundaries considered for this reporting period are as follows:

**Corporate Office:**

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

**Tire Manufacturing:**

- B-66, Waluj MIDC, Waluj Industrial Area, Chhatrapati Sambhaji Nagar 431 136 (Maharashtra)
- F 19/20, Gut no 62, 65, 66, Waluj MIDC, Village: Wadgaon Kolhati, Chhatrapati Sambhaji Nagar - 431 136 (Maharashtra)
- SP-923, RIICO Industrial Area, Phase-III, P.O. Bhiwadi 301 019, District – Khairthal -Tijara (Rajasthan)
- A-300-305 & E-306-313 RIICO Industrial Area, Chopanki P.O. Bhiwadi 301 707, District – Khairthal-Tijara (Rajasthan)
- Bhuj Bhachau Road, S.H.No.42, Village Padhdhar, Taluka Bhuj 370 105, District - Kutch (Gujarat)

**Carbon Black Manufacturing:**

- Bhuj Bhachau Road, S.H.No.42, Village Padhdhar, Taluka Bhuj 370 105, District - Kutch (Gujarat)

**Mould Manufacturing:**

- C-21, M.I.D.C, Phase No. I, Dombivli (E) 421 203, District - Thane (Maharashtra)

**Drum Manufacturing:**

- Plot No. TS-1, MIDC Phase II, opposite to Don Bosco School, Manpada Road, Sagaon, Dombivli (E) 421204 (Maharashtra)

**Wind Farm:**

- Village Soda Mada, Tehsil: Fatehgarh 345 027, District - Jaisalmer (Rajasthan)

Bureau Veritas conducted Physical as well as remote assessment of the sites as mentioned in the reporting Boundaries of BKT.



The assessment team from Bureau Veritas, for this verification, included the following member/s

Mr. Shankha Suvra, Lead Verifier  
Mr. Suman Pal, Lead Assessor  
Mr. Prithwish Saha, assessor

Bureau Veritas conducted Physical as well as remote assessment of the sites as mentioned in the table below:

Name of Site/Activity	Date and mode
Onsite Verification	29 January- 9 <sup>th</sup> February 2024 (Physical)
Review of documents	8 <sup>th</sup> – 12 <sup>th</sup> April, 2024 (Physical)
<b>Final Assessment</b>	10 <sup>th</sup> – 14 <sup>th</sup> June, 2024 (Remote)

The assessment was carried out, of the submitted BRSR including BRSR Core and the supporting evidence verified during the site visits and remote activities, based on a sampling exercise, to verify the data and computations that were prepared by BKT. The assessment was carried out only for the reported parameters that have been considered by BKT in the BRSR for FY 2023-24.

Some of the parameters **verified** for the units under the **reporting boundary include**, but not limited to:

- Employee details
- Participation / Representation of women
- Turnover rate for employees & workers
- CSR details
- Environmental monitoring parameters including water, wastewater, air emissions, solid waste, GHG emissions etc.
- Welfare and OHS data
- All the parameters in BRSR core

The data values for all reported BRSR including core parameters were verified by Bureau Veritas through an auditing process based on sampling of data records. Sampling was conducted by considering the contribution of the individual parameter to the overall organizational sustainability levels. A separate verification checklist was also utilized during the assessment. Gaps in data values or any other error identified during the data assessment was reported these were then corrected along with response by the client and subsequently the reported findings were verified and closed.

Bureau Veritas has assessed the quantification methodology used by BKT for the monitoring and calculations of the various BRSR including core parameters from its different sources and confirms the same to be in line with accepted practice of standard practice. The materiality threshold of 5% has been considered in this assessment process.

The details of the breakdown of data were verified by Bureau Veritas during the physical site visits conducted to verify the data. Samples of data were verified during the process to confirm the correctness of values considered in the calculations. The primary activity data values used to report in the BRSR including core parameters can be regarded as conservatively considered.

Our work was conducted against the requirements defined in the guidance document of BRSR including core along with Bureau Veritas' internal standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

The Bureau Veritas assurance process has also involved an Independent Technical Review (ITR) to check for correctness and accuracy of the assurance conclusions as well as adherence to Bureau Veritas Internal procedures and/or assurance standard requirements.

#### 4. OUR CONCLUSION

On the basis of our methodology and the activities described above, it is our opinion that the BRSR for FY 2023-24 of “BKT”, containing its BRSR Core parameters from the operations within the reporting boundary and the reporting period, as described above, is prepared in all material respects in line with the applicable criteria here before stated. The reviewed statements within the scope of our verification are transparent and the information included therein are fairly stated. A separate report (Management report) has been generated and forwarded to BKT regarding internal processes (as in practice) and opportunities for improvement, may be considered for the subsequent reporting period.

#### 5. LIMITATIONS AND EXCLUSION

**Excluded from the scope of our work is any assurance of information relating to:**

- Activities outside the defined assurance period stated here in above.
- Positional statements, expressions of opinion, belief, aim or future intention by “BKT” and statements of future commitment.
- Competitive claims in the report claiming “first in India”, “first time in India”, ‘ first of its kind” etc. if any;
- Our assurance does not extend to the activities and operations of “BKT” outside of the scope and geographical boundaries mentioned in this report as well as the operations undertaken by any other entity that may be associated with or have a business relationship with “BKT”
- Our assurance of the various BRSR parameters covers only those parameter and sites, that have been reported in the BRSR for FY 2023-24.
- Our assurance on economic and financial performance data or information of BKT is based only on BKT’s annual audited statement of accounts for the Financial Year 2023-24 and our conclusions rest solely upon that audited report.



**This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the BRSR or the supporting documentation.**

Inclusivity	BKT has processes in place for engaging with its key stakeholders including socially responsible investors, value chain partners, Government officials, local community representatives, and has undertaken stakeholder engagement activities. The entity is also involved in many CSR projects for the local community.
Materiality	The BRSR including BRSR Core addresses the range of environmental, social and economic issues of concern that BKT has identified as being of highest material importance. The material issues were identified by a process of stakeholder engagement and interaction. The identification of material issues has considered both internal assessments of risks and opportunities to the business, as well as stakeholders' views and concerns.
Responsiveness	BKT is responding to those issues it has identified as material and demonstrates this in its policies, objectives, indicators and performance targets. The company has taken various initiatives towards delivering environmentally friendly services along with occupational health and safety, appropriate measures for emergency handling, control and risk management in its operations.
Impact	There is no finding from our assessment that BKT has not monitored, measured or has not been accountable for its actions related to its material topics.
Uncertainty	The reliability of assurance is subject to uncertainty(ies) that are inherent in the assurance process. Uncertainties stem from limitations in the accounting and quantification models used for various parameters, or emission factors used or may be present in the estimation of data used, to arrive at conclusions or results. Our conclusions in respect of this assurance are naturally subject to any inherent uncertainty(ies) involved in the assurance process.

## 6. STATEMENT OF INDEPENDENCE, IMPARTIALITY AND COMPETENCE

Bureau Veritas is an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with almost 190 years history in providing independent assurance services.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with "BKT", its Directors, Management or officials beyond that required of this assignment. We have conducted this verification independently and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social,

ethical and health & safety information, systems and processes an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reporting.

**Restriction on use of Our Report**

Our Reasonable assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

**Bureau Veritas (India) Pvt. Ltd.**

Eco Center, EM-04, 16th Floor,  
Unit 1601 & 1602, Sector -5, Kolkata – 700091

**Shankha Suvra**

*Shankha Suvra*  
Lead Assurer

**Rama Mohan Rao Munji**

*M. R. Munji*

Technical Reviewer  
Date: 19<sup>th</sup> June 2024  
Place: Kolkata, India



**BUREAU  
VERITAS**



## Corporate Governance Report

Corporate governance is a critical aspect of promoting fairness, transparency, accountability, commitment to values, and ethical business conduct. It encompasses a set of rules, processes, and laws that govern the operation, regulation, and control of businesses. The ultimate goal of corporate governance is to consider the interests of all stakeholders involved in the business, including shareholders, customers, suppliers, government regulators, and management.

By ensuring transparency, corporate governance contributes to strong and balanced economic development. It also safeguards the interests of both majority and minority shareholders, promoting fairness and equity. Furthermore, corporate governance plays a crucial role in managing operational risks and ensuring the sustainability of a corporation. It influences the establishment and achievement of the company's objectives, the monitoring and assessment of risks, and the optimization of performance.

While corporate governance extends beyond corporate law, its primary objective is not solely to meet legal requirements. It emphasizes the commitment of the Board of directors to manage the company in a transparent manner, incorporating ethics to maximize long-term shareholder value. Corporate governance acts as a structure and framework that governs corporate direction and performance.

The Board of directors holds a dominant role in corporate governance, as it is responsible for enhancing shareholders' value and protecting the interests of other stakeholders. By improving corporate performance and accountability, the Board ensures the long-term success and sustainability of the company.

### 1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices, many of which were in place even before they were mandated by adopting the highest standards of professionalism, honesty, integrity and ethical behavior of ethical and transparent business operations. Balkrishna Industries Limited has over the years followed best practices of Corporate Governance by adhering to practices of trusteeship, transparency and accountability. As a global organisation, the Corporate Governance practices followed by the Company and its subsidiaries are compatible with international standards and best practices. The Company continues to focus its resources, strengths and strategies to achieve the vision of becoming a Global leader while upholding the core values of Quality, Trust, Leadership and Excellence. The Company believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. In addition to compliance with regulatory requirements, Balkrishna Industries Limited endeavours to ensure that highest standards of ethical and responsible conduct are met throughout the organisation.

The Company is in compliance with the requirements stipulated under various Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Companies Act, 2013 ("the Act") as amended from time to time as applicable, with regard to Corporate Governance.

### GOVERNANCE STRUCTURE

The Corporate Governance structure at Balkrishna Industries Limited is as follows:

- a. **Board of Directors:** The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.
- b. **Committees of the Board:** The Board of Directors has constituted various Board's Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board's Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. These Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of these Committee meetings are placed before the Board for noting.

### 2. COMPOSITION OF THE BOARD OF DIRECTORS:

- i. As on 31<sup>st</sup> March, 2024, the Company has Eight Directors. Out of the Eight Directors, Three are Executive Directors and Five (more than 62%) are Non- Executive Directors of which Four (50%) are Independent Directors including one - woman Independent Director. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Act.

During the year Mr. Rajendra Hingwala & Mr. Sandeep Junnarkar retired from the Directorship (in the capacity of Independent Director) of the Company with effect from closing business hours of 27<sup>th</sup> March, 2024. And Mr. Laxmidas Merchant & Mr. Rahul Dutt were appointed as Independent Directors w.e.f 28<sup>th</sup> March, 2024.

- ii. None of the Directors on the Board holds Directorships in more than seven listed entities during the year 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024. Also no Independent Director serves as an Independent Director in more than seven listed entities, and Whole-time Director, Managing Director and Joint Managing Director of the Company doesn't serve as an Independent Director in any listed entity.

Further none of them is a member of more than ten committees or chairman of more than five committees across all the Public Companies in which they are Director.

- iii. Independent Directors are non-executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act. The tenure of the Independent Directors is in compliance with the provisions laid down under Section 149(10) of the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act. Based on the declarations received from the Independent Directors, the Board has confirmed that all the Independent Directors of the Company meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

- iv. During the financial year 2023-24 the Board of Directors met six times i.e. 27<sup>th</sup> May, 2023, 5<sup>th</sup> August, 2023, 21<sup>st</sup> October, 2023, 25<sup>th</sup> November, 2023, 24<sup>th</sup> January, 2024 and 19<sup>th</sup> March, 2024. The gap between two meetings did not exceed one

hundred and twenty days as stipulated under Section 173(1) of the Act and Regulation 17(2) of the Listing Regulations and the Secretarial Standards on the Meeting of Board of Directors issued by The Institute of Company Secretaries of India.

The necessary quorum was present for all the meetings.

- v. In case of business exigencies, the Board's approval is taken through circular resolution/s.  
The circular resolution/s are noted at the subsequent Board Meeting.
- vi. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the financial year 2023-24 and at the last Annual General Meeting (AGM) and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on 31<sup>st</sup> March, 2024 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act.

For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of Listing Regulations.

Name of the Director	Category of Director	Board Meetings Attended	Whether attended last Annual General Meeting	No. of Directorships held in other public companies as on 31 <sup>st</sup> March, 2024	No. of Committee positions held in other public companies as on 31 <sup>st</sup> March, 2024	
					Member	Chairman
Mr. Arvind Poddar DIN: 00089984	Chairman & Managing Director	6/6	Present	-	-	-
*Mr. Rajiv Poddar DIN: 00160758	Joint Managing Director	6/6	Present	-	-	-
Mrs. Vijaylaxmi Poddar DIN: 00160484	Non-Executive Non-Independent Director	5/6	Present	-	-	-
Mr. Vipul Shah DIN: 05199526	Director & Company Secretary	6/6	Present	-	-	-
Mr. Pannkaj Ghadiali DIN: 00003462	Non-Executive Independent Director	6/6	Present	2	1	2
• Mrs. Shruti Shah DIN: 08337714	Non-Executive Independent Director	6/6	Present	8	5	1
**Mr. Rajendra Hingwala DIN: 00160602	Non-Executive Independent Director	6/6	Present	3	1	3
**Mr. Sandeep Junnarkar DIN: 00003534	Non-Executive Independent Director	3/6	Present	1	1	-
#Mr. Laxmidas Merchant DIN: 00007722	Non-Executive Independent Director	NA	NA	-	-	-
#Mr. Rahul Dutt DIN: 08872616	Non-Executive Independent Director	NA	NA	6	4	-

\* Mr. Rajiv Poddar has been re-appointed as a Joint Managing Director of the Company for a period of five years w.e.f. 22<sup>nd</sup> January, 2024 which was approved by the Members on 29<sup>th</sup> December, 2023. (via Postal Ballot)

\*\* Mr. Rajendra Hingwala & Mr. Sandeep Junnarkar have been retired as Independent Director of the Company w.e.f. closing of business hours of 27<sup>th</sup> March, 2024 due to completion of tenure.

• Mrs. Shruti Shah has been reappointed for a second term of five years from 8<sup>th</sup> February, 2024 to 7<sup>th</sup> February, 2029 which was approved by the Members on 29<sup>th</sup> December, 2023. (via Postal Ballot)

# Mr. Laxmidas Vallabhdas Merchant & Mr. Rahul Yogendra Dutt have been appointed as Independent Directors of the Company for a period of five years w.e.f. 28<sup>th</sup> March, 2024 which was approved by the Members on 29<sup>th</sup> December, 2023. (via Postal Ballot)

Name of the Director	Directorship in Other Listed Entity and Category of Directorship	
	Names of the Listed Entities	Category of Directorship
Mr. Pannkaj Ghadiali Mrs. Shruti Shah	<ul style="list-style-type: none"> <li>• Goldiam International Limited</li> <li>• Kalyani Steels Limited</li> <li>• Kalyani Investment Company Limited</li> <li>• Jai Corp Limited</li> <li>• Sanghi Industries Limited</li> </ul>	<ul style="list-style-type: none"> <li>Non-Executive Independent Director</li> <li>Non-Executive Independent Director</li> <li>Non-Executive Independent Director</li> <li>Non-Executive Independent Director</li> <li>Non-Executive Independent Director</li> </ul>
Mr. Rajendra Hingwala	<ul style="list-style-type: none"> <li>• DEN Network Limited</li> <li>• GTPL Hathway Limited</li> </ul>	<ul style="list-style-type: none"> <li>Non-Executive Independent Director</li> <li>Non-Executive Independent Director</li> </ul>
Mr. Sandeep Junnarkar Mr. Laxmidas Merchant	<ul style="list-style-type: none"> <li>• Reliance Industrial Infrastructure Limited</li> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>Non-Executive Independent Director</li> <li>-</li> </ul>

Mr. Rahul Dutt	<ul style="list-style-type: none"> <li>• Alok Industries Limited</li> <li>• Den Networks Limited</li> <li>• Reliance Industrial Infrastructure Limited</li> <li>• Sterling and Wilson Renewable Energy Limited</li> </ul>	Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director
----------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------

- vii. The Board comprises of persons with varied experiences in different areas who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its committees.

The following list summarises the key skills, expertise and competence that the Board thinks is necessary for functioning in the context of the Company's business and sector and which in the opinion of the Board, its Members possess:

<b>Global Business</b>	Experience in driving business success / dynamics in markets around the world and understanding across various geographical markets, industry verticals and regulatory jurisdictions.
<b>Leadership</b>	Leadership experience resulting in understanding of organisations, processes, strategic planning, strategic choices and experience in guiding and leading management teams to make decisions and risk management.
<b>Sales and Marketing</b>	Developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.
<b>Financial</b>	Management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting processes or experience in actively supervising a financial officer, controller, auditor or person performing similar functions.
<b>Technology</b>	A significant background in technology, resulting in knowledge to create new business models.
<b>Governance</b>	Developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
<b>Understanding of industry &amp; operations</b>	Understanding of tire, rubber & carbon black industry and its operations.

#### KEY SKILLS, EXPERTISE AND COMPETENCE

Name of Director	Global Business	Leadership	Sales and Marketing	Financial	Technology	Governance	Understanding of industry and operations
Mr. Arvind Poddar	√	√	√	√	√	√	√
Mr. Rajiv Poddar	√	√	√	√	√	√	√
Mrs. Vijaylaxmi Poddar	√	√	√	√	-	√	√
Mr. Vipul Shah	√	√	-	√	-	√	√
Mr. Pannkaj Ghadiali	√	√	-	√	√	√	√
Mrs. Shruti Shah	-	-	-	√	-	√	-
Mr. Rahul Dutt	√	√	-	√	√	-	-
Mr. Laxmidas Merchant	-	√	-	√	√	√	-

#### Information placed before the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meetings.

#### Post Meeting Mechanism

The important decisions taken at the Board/Committee Meetings are communicated to the concerned department/division.

#### Board Support

The Company Secretary attends the Board and Committee Meetings and advises the Board/Committee on Compliances with applicable laws and governance.

#### Compliance with the Code of Conduct

The Board of Directors have adopted the Code of Conduct for Directors and Senior Management Personnel. The said Code has been communicated to the Directors and the Senior Management Personnel. The Code has also been posted on the Company's website viz <https://www.bkt-tires.com/en/investors-desk>.

The Chairman & Managing Director has given a declaration that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code during the year 2023-24.

**Prohibition of Insider Trading**

The Code of Conduct for Regulating, Monitoring and Reporting of trading by Designated Persons ("the Code") is applicable to Promoters and Promoter's Group, Key Managerial Personnel, all Directors and such Designated Persons including Connected Persons who are expected to have access to unpublished price sensitive information relating to the Company. Mr. Vipul Shah is the Compliance Officer for monitoring adherence to the said Regulations. During the financial year under review, there has been due compliance with the said code.

This above mentioned Code is displayed on the Company's website viz <https://www.bkt-tires.com/en/investors-desk>.

- viii. Number of shares and convertible instruments held by Non-Executive Directors: Shares held by Non – Executive Director as on 31<sup>st</sup> March, 2024:

Name of Non-Executive Director	No. of Shares held of ₹ 2 Each
Mrs. Vijaylaxmi Poddar	1,000

The Company has not issued any convertible instruments.

- ix. Disclosure of relationship between Directors inter-se:

Mr. Arvind Poddar, Mrs. Vijaylaxmi Poddar and Mr. Rajiv Poddar are relatives of each other.

None of the other Directors are related to any other Director on the Board.

- x. Familiarization program for Independent Directors:

The Company has a Familiarisation programme for its Independent Directors. At the time of appointing New Non- Executive Director, a formal letter of appointment is given to them, which inter alia explains their role, function, duties and responsibilities in the Company. Executive Directors provide an overview of Company's business operations to New Non-Executive Directors. The Director is also explained in detail the Compliance required from him under Companies Act, 2013, the Listing Regulations and other various statutes and an affirmation is obtained. Further on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiary's business and operations, industry, strategy, finance and other relevant matters.

At each meeting of the Board and other committees, members also deliberate on the key integrity matters that help to reflect focus on key strategies. The members also discuss various sustainability initiatives of the Company and impact thereof.

The details of the familiarisation programme for Directors is available on the Company's website, viz. <https://www.bkt-tires.com/in/en/investors-desk>.

**3. MEETING OF INDEPENDENT DIRECTORS:**

Pursuant to Schedule IV to the Act and Regulation 25(3) & (4) of the Listing Regulations, the Company's Independent Directors meeting for the Financial Year 2023-24 was held on 19<sup>th</sup> March, 2024 inter alia to:

- Evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Requisite majority was present at the meeting. Mr. Pannkaj Ghadiali was unanimously elected as the Chairman of the said meeting of Independent Directors.

**4. COMMITTEES OF THE BOARD:**

The Board has constituted the following Committees viz, Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Business Responsibility and Sustainability Committee, Finance Committee and Risk Management Committee. Each of the said Committees has been mandated to operate within a given framework.

**I. AUDIT COMMITTEE:**

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

The terms of reference of Audit Committee, inter alia consists:

- To review with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval;
- To recommend appointment, remuneration and terms of appointment of auditors of the Company;
- To Evaluate internal financial controls and risk management systems;
- To review and monitor the auditor's independence and performance, and effectiveness of audit process.

The scope of activities of the Audit Committee is prescribed in Part C of Schedule II of Listing Regulation and Section 177 of the Act read with rules made thereof.

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

The Committee met four times during the financial year 2023-24. The meetings were held on 27<sup>th</sup> May, 2023, 5<sup>th</sup> August, 2023, 21<sup>st</sup> October, 2023 and 24<sup>th</sup> January, 2024. The maximum gap between two meetings was less than one hundred and twenty days.



**COMPOSITION AND MEETINGS OF THE AUDIT COMMITTEE:**

Name of the Director	Category of Director	Designation	Meetings Attended
Mr. Pannkaj Ghadiali	Non - Executive Independent Director	Chairman	4/4
Mrs. Shruti Shah	Non - Executive Independent Director	Member	4/4
*Mr. Rajendra Hingwala	Non - Executive Independent Director	Member	4/4
*Mr. Sandeep Junnarkar	Non - Executive Independent Director	Member	3/4
*Mr. Rahul Dutt	Non - Executive Independent Director	Member	NA
*Mr. Laxmidas Merchant	Non - Executive Independent Director	Member	NA

All the members are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. Mr. Pannkaj Ghadiali (Chairman), Mrs. Shruti Shah and Mr. Rajendra Hingwala are Chartered Accountants. The Director & Company Secretary, Mr. Vipul Shah, acts as the Secretary of the Committee. Senior President (Commercial) and CFO, Head of Accounts, Deputy CFO, Senior Deputy General Manager (Audit), Statutory Auditors and the Internal Auditors of the Company are permanent invitees to the Audit Committee Meetings.

\*Mr. Rajendra Hingwala & Mr. Sandeep Junnarkar have been retired as Independent Directors of the Company w.e.f. closing of business hours of 27<sup>th</sup> March, 2024 due to completion of tenure and also as the members of the Audit Committee. Mr. Rahul Dutt and Mr. Laxmidas Merchant were appointed as Members of the Audit Committee w.e.f. 28<sup>th</sup> March, 2024. Mr. Laxmidas Merchant is a Chartered Accountant and Mr. Rahul Dutt is a Lawyer holds a Bachelor's degree and Master's degree in Law.

Mr. Pannkaj Ghadiali, Chairman of the Audit committee, attended the Annual General Meeting of the Company held on 22<sup>nd</sup> July, 2023.

**II. NOMINATION AND REMUNERATION COMMITTEE:**

The Constitution, powers, role and terms of reference of the Nomination and Remuneration Committee are in compliance with Regulation 19 of the Listing Regulations and Section 178 of the Act, besides other terms as referred by the Board of Directors.

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

1. Recommend to the Board the appointment/re-appointment of Directors, Key Managerial Personnel and Senior Management.
2. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to, the remuneration of the directors, Key Managerial Personnel and senior management personnel;
3. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
4. Discuss on whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
5. Recommend to Board all remuneration in whatever form payable to Senior Management.

The committee met three times during the financial year 2023-24. The meetings were held on 27<sup>th</sup> May, 2023, 25<sup>th</sup> November, 2023 and 19<sup>th</sup> March, 2024.

**COMPOSITION AND MEETINGS OF NOMINATION AND REMUNERATION COMMITTEE:**

Name of the Director	Category of Director	Designation	Meetings Attended
Mr. Pannkaj Ghadiali	Non - Executive Independent Director	Chairman	3/3
Mrs. Shruti Shah	Non - Executive Independent Director	Member	3/3
*Mr. Sandeep Junnarkar	Non - Executive Independent Director	Member	1/3
*Mr. Rajendra Hingwala	Non - Executive Independent Director	Member	3/3
*Mr. Rahul Dutt	Non - Executive Independent Director	Member	NA
*Mr. Laxmidas Merchant	Non - Executive Independent Director	Member	NA

\*Mr. Rajendra Hingwala & Mr. Sandeep Junnarkar have been retired as Independent Directors of the Company w.e.f. closing of business hours of 27<sup>th</sup> March, 2024 due to completion of tenure and also as the members of the Nomination and Remuneration Committee. Mr. Rahul Dutt and Mr. Laxmidas Merchant were appointed as Members of the Nomination & Remuneration Committee w.e.f. 28<sup>th</sup> March, 2024.

Mr. Pannkaj Ghadiali, the Chairman of the Nomination and Remuneration Committee, attended the Annual General Meeting of the Company held on 22<sup>nd</sup> July, 2023.

**PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:**

Each Independent Director's performance was evaluated as required by Schedule IV of the Act read with Regulation 17(10) of the Listing Regulations, having regard to the criteria of evaluation.

In line with the provisions of the Companies Act, 2013 and SEBI Guidance Note on Board read with relevant provisions of Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees and individual Directors through the separate meeting of Independent Directors and the Board as a whole. Separate Independent Directors meeting for the Financial Year 2023-24 was held on 19<sup>th</sup> March, 2024.

The performance of the Independent Directors was evaluated by the entire Board except the person being evaluated in their meeting held on 19<sup>th</sup> March, 2024. The performance of the Committees was evaluated by the Board seeking inputs from the Committee Members.

A structured questionnaire (as per SEBI Guidance Note) was circulated to the members of the Board covering various aspects of the Board's functioning, Board's culture, execution and performance of duties, professional obligations, and governance. The questionnaire was designed to judge knowledge of directors, their independence while taking business decisions, their participation in formulation of business plans, their constructive engagement etc. In addition to the above, the Chairman of the Board/Committee was evaluated on the basis of their leadership, coordination and steering skills.

#### REMUNERATION OF DIRECTORS;

a) Remuneration Policy:

The Remuneration Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and Senior Management of the Company. The remuneration policy is in consonance with the existing industry practice. The Nomination and Remuneration Policy is displayed on the Company's website viz <https://www.bkt-tires.com/en/investors-desk>.

b) Remuneration to Non-Executive Directors:

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

Name of the Director	Sitting Fees (₹ In Lakhs)	Terms of Appointment
Mrs. Vijaylaxmi Poddar	6.25	Retire by Rotation
Mr. Pannkaj Ghadiali	14.75	The second term of appointment is for five consecutive years from 8 <sup>th</sup> November, 2022 to 7 <sup>th</sup> November, 2027 as approved by the members in the 60 <sup>th</sup> Annual General Meeting held on 7 <sup>th</sup> July, 2022.
Mrs. Shruti Shah	14.75	The second term of appointment is for five consecutive years from 8 <sup>th</sup> February, 2024 to 7 <sup>th</sup> February, 2029 as appointed by the Board on 25 <sup>th</sup> November, 2023 and by the members in Postal Ballot results declared on 29 <sup>th</sup> December, 2023.
Mr. Rajendra Hingwala	11.25	The term of appointment was for five consecutive years from 28 <sup>th</sup> March, 2019 to 27 <sup>th</sup> March, 2024 as approved by the members in 57 <sup>th</sup> Annual General Meeting held on 13 <sup>th</sup> July, 2019. Cessation on 27 <sup>th</sup> March, 2024.
Mr. Sandeep Junnarkar	6.75	The term of appointment was for five consecutive years from 28 <sup>th</sup> March, 2019 to 27 <sup>th</sup> March, 2024 as approved by the members in 57 <sup>th</sup> Annual General Meeting held on 13 <sup>th</sup> July, 2019. Cessation on 27 <sup>th</sup> March, 2024.
Mr. Laxmidas Merchant	N.A.	The term of appointment is for five consecutive years from 28 <sup>th</sup> March 2024 to 27 <sup>th</sup> March, 2029 approved by the members at the Postal ballot on 29 <sup>th</sup> December, 2023.
Mr. Rahul Dutt	N.A.	The term of appointment is for five consecutive years from 28 <sup>th</sup> March 2024 to 27 <sup>th</sup> March, 2029 approved by the members at the postal ballot on 29 <sup>th</sup> December, 2023.
<b>TOTAL</b>	<b>53.75</b>	

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

The remuneration of Directors (Executive and Non-Executive)/ Key Managerial Personnel/ Senior Management Personnel was governed by the recommendation of the Nomination and Remuneration Committee, Resolutions passed by the Board of Directors and Shareholders (Directors - Executive and Non-Executive) of the Company. The remuneration structure comprises of salary, allowances, commissions, perquisites and employee benefits, if any.

The Board of Directors takes all decisions regarding the remuneration of Non-Executive Directors on recommendations made by Nomination & Remuneration Committee.

The details of the remuneration of Directors for the year ended 31<sup>st</sup> March, 2024 are given below:

(₹ In Lakhs)

Name of the Director	Salary	Perquisites & allowances #	Commission	Total	Service Contract
Mr. Arvind Poddar	300.00	253.89	3675.00	4228.89	1 <sup>st</sup> August, 2021 to 31 <sup>st</sup> July, 2026
Mr. Rajiv Poddar	240.00	201.70	3675.00	4116.70	22 <sup>nd</sup> January, 2024 to 21 <sup>st</sup> January, 2029
Mr. Vipul Shah	38.16	53.88	-	92.04	11 <sup>th</sup> February, 2022 to 10 <sup>th</sup> February, 2027
<b>TOTAL</b>	<b>578.16</b>	<b>509.47</b>	<b>7350.00</b>	<b>8437.63</b>	

# Perquisites and Allowances does not include Contribution to Provident Fund, other Funds and Retirement Benefits to the extent not taxable under Income Tax law.

- Nomination and Remuneration Committee shall recommend to the Board for its approval, the remuneration, including the commission based on the net profits of the Company.
- Apart from payment of sitting fees, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors during the year.
- The Notice Period for the Managing /Joint Managing/Whole-Time Director is one month from either side for resigning/terminating from the services of the Company.
- No Severance Fees has been paid or payable by the Company.
- Company does not have Stock Option Scheme and Pension Scheme.

**III. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The Stakeholders' Relationship Committee has been constituted in compliance with Section 178(5) of the Act and Regulation 20 of Listing Regulations. The said committee deals with all matters related to addressing and resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, and reviewing various services rendered by the Registrar & Share Transfer Agent.

The Committee met four times during the financial year 2023-24. The meetings were held on 27<sup>th</sup> May, 2023, 4<sup>th</sup> August, 2023, 21<sup>st</sup> October, 2023 and 24<sup>th</sup> January, 2024.

**COMPOSITION AND MEETINGS OF THE STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

Name of the Director	Category of Director	Designation	Meetings Attended
Mr. Pannkaj Ghadiali	Non - Executive Independent Director	Chairman	4/4
Mrs. Shruti Shah	Non - Executive Independent Director	Member	4/4
*Mr. Sandeep Junnarkar	Non - Executive Independent Director	Member	3/4
Mr. Vipul Shah	Director & Company Secretary	Member	4/4

\*Mr. Sandeep Junnarkar retired from the Directorship (in the capacity of Independent Director) of the Company with effect from closing business hours of 27<sup>th</sup> March, 2024 and also as a member of Stakeholder's Relationship Committee.

Mr. Pannkaj Ghadiali, the Chairman of the Stakeholders' Relationship Committee, attended the Annual General Meeting of the Company held on 22<sup>nd</sup> July, 2023.

During the year, 32 complaints were received out of which one is pending and others were resolved within stipulated time. There was one complaint pending as on 31<sup>st</sup> March, 2024.

As at 31<sup>st</sup> March 2024, there was no Share Transfer pending for Registration for more than 15 days.

**COMPLIANCE OFFICER:**

Mr. Vipul Shah, Director and Company Secretary was appointed as the Compliance Officer by the Board to ensure compliance and effective implementation with requirements of Securities Laws.

**IV. OTHER COMMITTEES OF THE BOARD:**

**a. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)**

The Corporate Social Responsibility Committee promotes a culture that emphasizes and sets high standards for corporate social responsibility and reviews the implementation plan. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of corporate social responsibility policy; recommending the amount of expenditure to be incurred; and monitoring the CSR Policy of the Company. And any such other responsibilities as given under Section 135 of the Act, read with Schedule VII of the Act.

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

1. To frame the CSR policy and its review from time to time;
2. To recommend to Board an annual action plan in pursuance to CSR Policy;
3. To ensure effective implementation and monitoring of CSR activities as per the approved policy, plans and budget;
4. To ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.

The Committee met four times during the financial year 2023-24. The meetings were held on 26<sup>th</sup> May, 2023, 4<sup>th</sup> August, 2023, 21<sup>st</sup> October, 2023 and 24<sup>th</sup> January, 2024.

**COMPOSITION AND MEETINGS OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

Name of the Director	Category of Director	Designation	Meetings Attended
Mrs. Vijaylaxmi Poddar	Non-Executive Non-Independent Director	Chairperson	4/4
Mrs. Shruti Shah	Non - Executive Independent Director	Member	4/4
Mr. Rajiv Poddar	Joint Managing Director	Member	4/4
Mr. Vipul Shah	Director & Company Secretary	Member	4/4

**b. Business Responsibility and Sustainability Committee:**

This Committee observes practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary. The Board has also empowered the Committee to look into matters related to sustainability and overall governance.

The terms of reference of the Business Responsibility and Sustainability Committee, inter alia consists;

- To frame Business Responsibility & Sustainability Reporting Policies and its review from time to time;
- To ensure Business Responsibility & Sustainability Report is prepared as required by Regulation 34(2)(f) of the Listing Regulations;
- To ensure effective implementation and monitoring of Business Responsibility & Sustainability Reporting activities.

The committee met twice during the financial year 2023-24. The meetings were held on 27<sup>th</sup> May, 2023 and 24<sup>th</sup> January, 2024.

**COMPOSITION AND MEETING OF THE BUSINESS RESPONSIBILITY AND SUSTAINABILITY COMMITTEE:**

Name of the Director	Category of Director	Designation	Meetings Attended
Mr. Pannkaj Ghadiali	Non - Executive Independent Director	Chairman	2/2
Mr. Arvind Poddar	Chairman & Managing Director	Member	2/2
Mr. Rajiv Poddar	Joint Managing Director	Member	2/2
*Mr. Sandeep Junnarkar	Non - Executive Independent Director	Member	1/2

\*Mr. Sandeep Junnarkar retired from the Directorship (in the capacity of Independent Director) of the Company with effect from closing business hours of 27<sup>th</sup> March, 2024 and also as a member of Business Responsibility & Sustainability Committee.

**c. FINANCE COMMITTEE:**

The terms of reference of Finance Committee, inter alia consists;

- To do all acts, deeds related to Forex Related Transactions of the Company (including Derivative Transaction);
- To open, operate, give instructions for operating, closing or any other instructions in relation to any of the Bank Account(s), including EEFC Accounts, of the Company and to authorise other officials of the Company to operate and give instructions for operating the Bank Account/s of the Company and consequently add / delete/ modify the list of such authorised signatories;
- To avail Internet Banking Facility / Online Banking Facility (Including third party payment rights) / view right or access facility from any of the Bank for existing Bank Accounts or New Bank Accounts to be opened in the name of the Company;
- To invest the surplus funds of the company as and when available not exceeding 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account whichever is more;

The committee met seven times during the financial year 2023-24. The meetings were held on 19<sup>th</sup> April, 2023, 27<sup>th</sup> May, 2023, 25<sup>th</sup> July, 2023, 17<sup>th</sup> August, 2023, 11<sup>th</sup> October, 2023, 25<sup>th</sup> January, 2024 and 6<sup>th</sup> March, 2024.

**COMPOSITION AND MEETINGS OF THE COMMITTEE:**

Name of the Director	Category of Director	Designation	Meetings Attended
Mr. Arvind Poddar	Chairman & Managing Director	Chairman	7/7
Mr. Rajiv Poddar	Joint Managing Director	Member	7/7
Mr. Vipul Shah	Director & Company Secretary	Member	7/7

Mr. Madhusudan Bajaj - Sr. President (Commercial) and Chief Financial Officer is the permanent invitee to the meeting.

**d. RISK MANAGEMENT COMMITTEE:**

Risk Management' is the identification, assessment, and prioritisation of risks followed by coordinated and economical application of resources to minimise, monitor and control the probability and/or impact of uncertain events or to maximise the realisation of opportunities. Risk management also provides a system for setting of priorities when there are competing demands on limited resources. Risk management also attempts to identify and manage threats that could severely impact or bring down the organisation.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Board also approved "Risk Management Report" at its Board meeting held on 7<sup>th</sup> March, 2024, as recommended by the Committee.

The primary objective of Committee is to identify, mitigate, control risk incurred by the Company with a view to prevent unacceptable losses, to provide an effective means of identifying, measuring and monitoring credit exposures incurred by Company and to keep such risk at or below pre-determined levels. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment.

The committee met two times during the financial year 2023-24. The meetings were held on 12<sup>th</sup> September, 2023 & 7<sup>th</sup> March, 2024.

**COMPOSITION OF THE COMMITTEE:**

Name of the Director	Category of Director	Designation	Meetings Attended
Mr. Pannkaj Ghadiali	Non - Executive Independent Director	Chairman	2/2
Mr. Arvind Poddar	Chairman & Managing Director	Member	2/2
Mr. Vipul Shah	Director & Company Secretary	Member	2/2

**V. SENIOR MANAGEMENT:**

Particulars of senior management of Balkrishna Industries Limited:

Sr. No.	Name of Senior Management Personnel	Designation
1	Mr. Dilip Vaidya	Sr. President & Director – Technology
2	Mr. Madhusudan Bajaj	Sr. President (Commercial) and Chief Financial Officer
3	Mr. Vipul Shah	Director & Company Secretary
4	Mr. Sudhir Mishra	Sr. General Manager – Corporate HR
5	Mr. Ravi Joshi	Deputy Chief Financial Officer
6	Mr. Sushil Mishra	Head- Accounts

Note: Mr. Viresh Mathur – President - Corporate HR passed away on 8<sup>th</sup> February, 2024.

**5. GENERAL BODY MEETING:**

**a. Details of the last three Annual General Meetings:**

The last three Annual General Meetings (AGM) of the Company were held within the statutory time period and the details of the same are reproduced herein below:

Year	Location	Date	Time	Special Resolution Passed
2020-2021 59 <sup>th</sup> AGM	Meeting was conducted through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	30 <sup>th</sup> June, 2021	11.00 AM	No Special Resolutions were passed in the meeting.
2021-2022 60 <sup>th</sup> AGM	Meeting was conducted through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	7 <sup>th</sup> July, 2022	11.00 AM	Two Special Resolutions were passed in the meeting.
2022-2023 61 <sup>st</sup> AGM	Meeting was conducted through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	22 <sup>nd</sup> July, 2023	11.00 AM	One Special Resolution was passed in the meeting

**b. Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern:**

During the year under review, three special resolutions were passed through postal ballot by the Company which are as follows:

- Re-appointment of Mrs. Shruti Shah (DIN: 08337714) as an Independent Director of the Company for a second term of five years w.e.f. 8<sup>th</sup> February, 2024 (Special Resolution).
- Appointment of Mr. Laxmidas Merchant (DIN: 00007722) as an Independent Director of the Company for a period of five years w.e.f. 28<sup>th</sup> March, 2024 (Special Resolution).
- Appointment of Mr. Rahul Dutt (DIN: 08872616) as an Independent Director of the Company for a period of five years w.e.f. 28<sup>th</sup> March, 2024 (Special Resolution).

The Company had engaged the services of M/s. KFin Technologies Limited for providing remote e-voting facilities to the Members, enabling them to cast their vote electronically.

Members exercised their vote(s) by e-voting during the period from 9:00 a.m. (IST) on Thursday, 30<sup>th</sup> November, 2023 till 5:00 p.m. (IST) on Friday, 29<sup>th</sup> December, 2023.

Mr. G B B Babuji Practising Company Secretary was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner. Details of the voting pattern are provided below:

Item No. of the Notice	Votes in favour of the Resolution		Votes against the Resolution		Invalid votes
	Number of valid votes	as a % of number of total valid votes (both for and against)	Number of valid votes	as a % of number of total valid votes (both for and against)	
(i)	(ii)	(iii)	(iv)	(v)	(vi)
1. Re-appointment of Mrs. Shruti Shah (DIN: 08337714) as an Independent Director of the Company for a period of five years w.e.f. 8 <sup>th</sup> February, 2024 (Special Resolution).	16,07,89,138	94.2532	98,03,674	5.7468	1,33,756
2. Appointment of Mr. Laxmidas Merchant (DIN: 00007722) as an Independent Director of the Company for a period of five years w.e.f. 28 <sup>th</sup> March, 2024 (Special Resolution).	17,06,78,306	99.9719	47,909	0.0281	353
3. Appointment of Mr. Rahul Dutt (DIN: 08872616) as an Independent Director of the Company for a period of five years w.e.f. 28 <sup>th</sup> March, 2024 (Special Resolution).	17,06,78,306	99.9719	47,909	0.0281	353

c. **Details of special resolution proposed to be conducted through postal ballot:**

There is no immediate proposal for passing any resolution through postal ballot.

d. **Procedure for postal ballot:**

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023, respectively issued by the Ministry of Corporate Affairs.

6. **MEANS OF COMMUNICATION:**

The quarterly, half-yearly and annual results of the Company are published in Business Standard and Lokmat. The results are also displayed on the Company's website <https://www.bkt-tires.com/en/investors-desk>. Detailed Presentations made to the institutional investors and analysts after the declaration of the quarterly, half-yearly and annual results are also displayed on the Company's website and are sent to the Stock Exchanges for dissemination. Audio recordings and Transcript of conference call with Investors/Analysts conducted for discussion of results are simultaneously uploaded on the Stock Exchanges and Company's website. A Directors' Report & Management Discussion and Analysis Report is a part of the Company's Annual Report.

7. **GENERAL SHAREHOLDER INFORMATION:**

a. **ANNUAL GENERAL MEETING:**

Date	Friday, the 19 <sup>th</sup> July, 2024
Time	11:00 a.m.
Venue	Annual General Meeting through Video Conferencing/other Audio Visual Means (VC/OAVM facility) Deemed Venue for the meeting : Registered Office B-66, MIDC, Waluj Industrial Area, Waluj, Chhatrapati Sambhaji Nagar 431 136 (Maharashtra)

b. **FINANCIAL YEAR:** commencing from 1<sup>st</sup> April and ending on 31<sup>st</sup> March Financial Calendar:

The tentative dates for Board Meetings for consideration of quarterly financial results are as follows:

Sr. No.	Particulars of Quarter	Tentative Dates
1	First Quarter Results	On or before 14 <sup>th</sup> August, 2024
2	Second Quarter & Half Yearly Results	On or before 14 <sup>th</sup> November, 2024
3	Third Quarter & Nine-months Results	On or before 14 <sup>th</sup> February, 2025
4	Fourth Quarter & Annual Results	On or before 30 <sup>th</sup> May, 2025.

c. **DIVIDEND PAYMENT DATE:**

During the year under review the company has paid following Interim dividends:

Interim Dividend	Dividend Payment date	₹ Per Equity Share
1 <sup>st</sup> Interim Dividend	24 <sup>th</sup> August, 2023	4/-
2 <sup>nd</sup> Interim Dividend	7 <sup>th</sup> November, 2023	4/-
3 <sup>rd</sup> Interim Dividend	13 <sup>th</sup> February, 2024	4/-

The Board of Directors at their Meeting held on 17<sup>th</sup> May, 2024 has recommended final dividend of ₹ 4/- per equity share for financial year 2023-24, subject to the approval from Shareholders. The dividend if declared at the Annual General Meeting shall be paid on or after 19<sup>th</sup> July, 2024 but within the statutory time limit, to the Members whose names appear on the Company's Register of Members as on the Record Date i.e., 6<sup>th</sup> July, 2024, and in respect of the shares held in dematerialized mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

#### Unclaimed Dividend/ Shares

Pursuant to the provisions of Section 124(5) of the Act, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of Section 125 of the Act. The details of unclaimed/ unpaid dividend are available on the website of the Company viz <https://www.bkt-tires.com/en/investors-desk>.

Details of Unclaimed dividend as on 31<sup>st</sup> March, 2024 and due date of transfer is as follows:

Dividend Details	Financial year ended	Date of Declaration	Due date of transfer
Final Dividend	2016-2017	9 <sup>th</sup> September, 2017	14 <sup>th</sup> October, 2024
1 <sup>st</sup> Interim Dividend	2017-2018	29 <sup>th</sup> July, 2017	2 <sup>nd</sup> September, 2024
2 <sup>nd</sup> Interim Dividend	2017-2018	8 <sup>th</sup> November, 2017	13 <sup>th</sup> December, 2024
3 <sup>rd</sup> Interim Dividend	2017-2018	14 <sup>th</sup> February, 2018	21 <sup>st</sup> March, 2025
Final Dividend	2017-2018	14 <sup>th</sup> July, 2018	21 <sup>st</sup> August, 2025
1 <sup>st</sup> Interim Dividend	2018-2019	11 <sup>th</sup> August, 2018	18 <sup>th</sup> September, 2025
2 <sup>nd</sup> Interim Dividend	2018-2019	5 <sup>th</sup> November, 2018	9 <sup>th</sup> December, 2025
3 <sup>rd</sup> Interim Dividend	2018-2019	8 <sup>th</sup> February, 2019	15 <sup>th</sup> March, 2026
Final Dividend	2018-2019	13 <sup>th</sup> July 2019	12 <sup>th</sup> August 2026
1 <sup>st</sup> Interim Dividend	2019-2020	10 <sup>th</sup> August, 2019	14 <sup>th</sup> September, 2026
2 <sup>nd</sup> Interim Dividend	2019-2020	14 <sup>th</sup> November, 2019	18 <sup>th</sup> December, 2026
3 <sup>rd</sup> Interim Dividend	2019-2020	14 <sup>th</sup> February, 2020	20 <sup>th</sup> March, 2027
1 <sup>st</sup> Interim Dividend	2020-2021	13 <sup>th</sup> August, 2020	16 <sup>th</sup> September, 2027
2 <sup>nd</sup> Interim Dividend	2020-2021	6 <sup>th</sup> November, 2020	9 <sup>th</sup> December, 2027
3 <sup>rd</sup> Interim Dividend	2020-2021	8 <sup>th</sup> February, 2021	14 <sup>th</sup> March, 2028
Final Dividend	2020-2021	30 <sup>th</sup> June, 2021	1 <sup>st</sup> August, 2028
1 <sup>st</sup> Interim Dividend	2021-2022	6 <sup>th</sup> August, 2021	6 <sup>th</sup> September, 2028
2 <sup>nd</sup> Interim Dividend	2021-2022	11 <sup>th</sup> November, 2021	12 <sup>th</sup> December, 2028
3 <sup>rd</sup> Interim Dividend	2021-2022	14 <sup>th</sup> February, 2022	17 <sup>th</sup> March, 2029
Final Dividend	2021-2022	7 <sup>th</sup> July, 2022	11 <sup>th</sup> August, 2029
1 <sup>st</sup> Interim Dividend	2022-2023	4 <sup>th</sup> August, 2022	5 <sup>th</sup> September, 2029
2 <sup>nd</sup> Interim Dividend	2022-2023	14 <sup>th</sup> November, 2022	20 <sup>th</sup> December, 2029
3 <sup>rd</sup> Interim Dividend	2022-2023	11 <sup>th</sup> February, 2023	19 <sup>th</sup> March, 2030
Final Dividend	2022-2023	22 <sup>nd</sup> July, 2023	26 <sup>th</sup> August, 2030
1 <sup>st</sup> Interim Dividend	2023-2024	5 <sup>th</sup> August, 2023	10 <sup>th</sup> September, 2030
2 <sup>nd</sup> Interim Dividend	2023-2024	21 <sup>st</sup> October, 2023	15 <sup>th</sup> November, 2030
3 <sup>rd</sup> Interim Dividend	2023-2024	24 <sup>th</sup> January, 2024	21 <sup>st</sup> February, 2031

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years.

In terms of Section 124(6) of the Act, read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPFA Rules) shares on which dividend has not been encashed or claimed by the shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like Dividend, bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

The members who have a claim on Unclaimed Dividend / Shares may claim the same from IEPFA by submitting an online application in the prescribed Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in Form No. IEPF-5. No claims shall lie against the Company in respect of the Unclaimed Dividend / Shares so transferred.

The Company sends periodical communication to the concerned Shareholders to claim their Dividends in order to avoid transfer of Dividends / Shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends by Shareholders are uploaded on the website of the Company at <https://www.bkt-tires.com/in/en/investors-desk>.

During the year under review, the Company has transferred the following Unclaimed Dividend and Shares to 'Investor Education and Protection Fund':

Sr. No.	Particulars	Date of Transfer of Unclaimed Dividend	Date of Transfer of Unclaimed Shares
1.	Interim Dividend 2015-16	19 <sup>th</sup> April, 2023	13 <sup>th</sup> May, 2023
2.	1 <sup>st</sup> Interim Dividend 2016-17	2 <sup>nd</sup> November, 2023	14 <sup>th</sup> November, 2023
3.	2 <sup>nd</sup> Interim Dividend 2016-17	12 <sup>th</sup> January, 2024	1 <sup>st</sup> February, 2024
4.	3 <sup>rd</sup> Interim Dividend 2016-17	26 <sup>th</sup> March, 2024	17 <sup>th</sup> April, 2024

#### Nodal Officer

Mr. Vipul Shah, Director and Company Secretary of the Company was appointed as the Nodal Officer for the purpose of co-ordination with the IEPF Authority as to ensure processing and verification of claims by the shareholders in time bound manner.

#### d. COMPANY'S SHARES ARE LISTED ON:

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	<b>National Stock Exchange of India Limited</b> 5 <sup>th</sup> Floor, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400 051
------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------

Annual listing fee as applicable for the year 2023-24 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited.

#### e. STOCK CODES/SYMBOL:

BSE: 502355 (Equity) NSE: BALKRISIND (Equity)

BSE: 973556 (Debt)

ISIN No.: NE787D01026 (Equity)

ISIN No.: INE787D08021 (Debt)

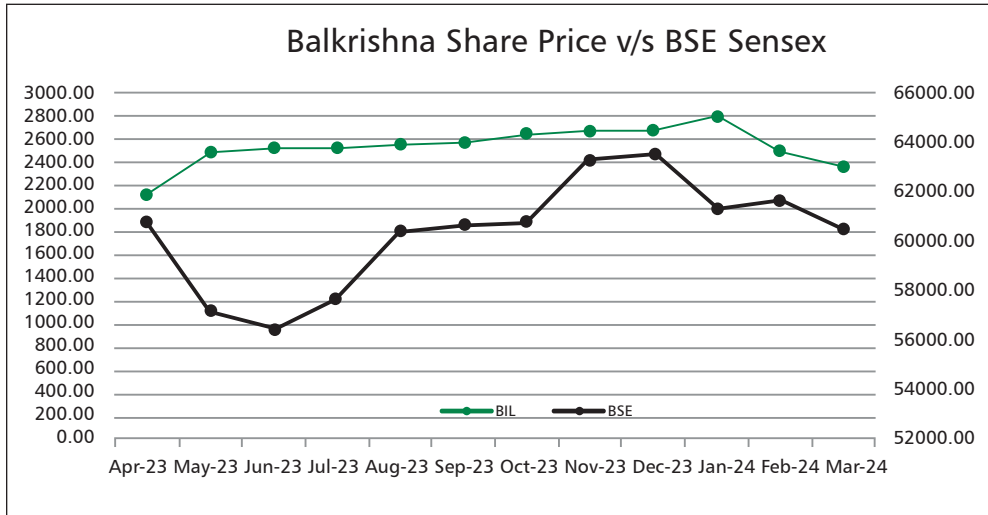
#### f. MARKET PRICE DATA (In ₹):

Month	BSE Limited (BSE)		National Stock Exchange of India (NSE)	
	High	Low	High	Low
April-2023	2130.60	1933.00	2132.00	1932.45
May-2023	2490.00	2067.40	2491.95	2067.15
June-2023	2525.00	2250.00	2525.00	2248.25
July-2023	2549.30	2277.05	2549.10	2276.00
August-2023	2568.55	2290.40	2570.00	2302.60
September-2023	2578.25	2325.80	2578.90	2323.20
October-2023	2644.85	2480.00	2640.00	2478.15
November-2023	2680.00	2464.00	2682.75	2462.00
December-2023	2677.95	2407.40	2678.00	2407.50
January-2024	2793.70	2423.65	2795.50	2424.00
February-2024	2492.45	2194.35	2494.00	2194.50
March-2024	2376.95	2193.85	2378.80	2193.80

{Source: [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com)}



**g. Performance of the share price of the Company in comparison to the BSE Sensex:**



**h. IN CASE THE SECURITIES ARE SUSPENDED FROM TRADING, THE DIRECTORS REPORT SHALL EXPLAIN THE REASON THEREOF:**

Not Applicable

**i. REGISTRAR AND SHARE TRANSFER AGENT:**

Name and Address : KFin Technologies Limited  
(Unit: Balkrishna Industries Limited)  
Selenium Tower B, Plot No. 31-32 Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana

Toll free No.: 1- 800-309-4001

Email Id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

Website: [www.kfintech.com](http://www.kfintech.com)

**Contact Person:**

Mr. Ganesh Chandra Patro  
Assistant Vice President  
Contact Number : 040 – 6716 1630

**Mumbai address (for shareholder services):**

24 B, Raja Bahadur Mansion, Ground Floor, 6, Ambalal Doshi Marg, Behind BSE Ltd, Fort, Mumbai - 400 001  
Phone: +91 022 66235454

**j. SHARE TRANSFER SYSTEM:**

The shares of the Company can be transferred / traded only in dematerialised form. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Share transfer request is processed within stipulated time, subject to documents being valid and complete in all respects. The company has delegated the authority to Share Transfer Agent. All documents, transfers, transmission, demat requests and other communications in relation thereto are required to be addressed to the Share Transfer Agent directly.

A summary of transfer/ transmission of securities of the Company so approved by the Company Secretary is placed at Quarterly Board meeting / Stakeholders' Relationship Committee. The Company obtains from a Company Secretary in Practice yearly certificate to the effect that all certificates have been issued within thirty days of the date of lodgment of the transfer, sub division, consolidation and renewal as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with Stock Exchanges under Regulation 40(10).

**k. DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>st</sup> MARCH, 2024:**

Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1 - 500	131947	97.94	3687050	1.91
501 - 1000	942	0.70	699420	0.36
1001 - 2000	603	0.45	892465	0.46
2001 - 3000	282	0.21	738212	0.38
3001 - 4000	143	0.11	510540	0.26
4001 - 5000	109	0.08	499918	0.26
5001 - 10000	261	0.19	1852311	0.96
10001 & Above	431	0.32	184437274	95.41
<b>TOTAL:</b>	<b>134718</b>	<b>100.00</b>	<b>193317190</b>	<b>100.00</b>

Categories of Shareholding as on 31<sup>st</sup> March, 2024:

Categories of Shareholders	No. of Shares	% of Total Shares
<b>Promoter and Promoter Group (A)</b>	<b>112690200</b>	<b>58.29</b>
<b>Public Shareholding (B)</b>		
Mutual Funds/UTI	28283148	14.63
Financial Institutions/Banks	10512	0.01
Bodies Corporate	1059063	0.55
Individuals	11657890	6.03
Any Other		
NRI's	593711	0.31
Trust	200177	0.10
Foreign Portfolio Investor	23665872	12.24
Clearing Members	219	0.00
Alternative Investment Fund	270746	0.14
IEPF	473005	0.24
Qualified Institutional Buyer	14106257	7.30
H U F	302795	0.16
NBFCs Registered with RBI	3595	0.00
<b>Total Public Shareholding (B)</b>	<b>80626990</b>	<b>41.71</b>
<b>Total Shareholding (A+B)</b>	<b>193317190</b>	<b>100.00</b>

**I DEMATERIALIZATION OF SHARES AND LIQUIDITY:**

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialize their shares with either of the depositories. As on 31<sup>st</sup> March, 2024, 99.79% of Company's shares were dematerialized.

**m OUTSTANDING ADR'S / GDR'S / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:**

Not Applicable.

**n COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:**

Please refer to Directors' Report & Management Discussion and Analysis Report for the same.

**o PLANT LOCATIONS:**

<b>Tire Manufacturing:</b>	B-66, MIDC, Waluj Industrial Area, Waluj, Chhatrapati Sambhaji Nagar 431 136 (Maharashtra) F 19/20, Gut No. 62, 65, 66, MIDC, Village Wadgaon, Kolhati, Waluj, Chhatrapati Sambhaji Nagar 431 136 (Maharashtra) SP-923, RIICO Industrial Area, Phase-III, P.O. Bhiwadi 301 019 Dist: Khairthal - Tijara (Rajasthan) A-300-305 & E-306-313 RIICO Industrial Area, Chopanki P.O. Bhiwadi 301 707, Dist: Khairthal - Tijara (Rajasthan) Bhuj Bhachau Road, S.H.No.42, Village Padhdhar, Taluka Bhuj 370 105, Dist: Kutch (Gujarat)
<b>Carbon Black Manufacturing:</b>	Bhuj Bhachau Road, S.H.No.42, Village Padhdhar, Taluka Bhuj 370 105, Dist: Kutch (Gujarat)
<b>Mould Manufacturing:</b>	C-21, M.I.D.C, Phase No. I, Dombivli (E) 421 203, Dist: Thane (Maharashtra)
<b>Drum Manufacturing :</b>	Plot No. TS-1, MIDC Phase II, Opp. Don Bosco School, Manpada Road, Sagaon, Dombivli (E) 421204, Dist: Thane (Maharashtra)
<b>Wind farm:</b>	Village Soda Mada, Tehsil: Fatehgarh 345 027, Dist: Jaisalmer (Rajasthan)

**p. ADDRESS FOR CORRESPONDENCE: BALKRISHNA INDUSTRIES LIMITED:**

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

**q. LIST OF ALL CREDIT RATINGS OBTAINED BY THE ENTITY ALONG WITH ANY REVISIONS THERETO DURING THE RELEVANT FINANCIAL YEAR, FOR ALL DEBT INSTRUMENTS OF SUCH ENTITY OR ANY FIXED DEPOSIT PROGRAMME OR ANY SCHEME OR PROPOSAL OF THE LISTED ENTITY INVOLVING MOBILIZATION OF FUNDS, WHETHER IN INDIA OR ABROAD:**

Company had issued 5000 Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures (NCDs) of face value of ₹ 10 Lakh each aggregating to ₹ 500 Crores in the Financial Year 2021-2022, In respect of that the Company has obtained updated credit rating as mentioned below :

<b>Credit Rating Agency</b>	Care Ratings Limited
<b>Credit Rating</b>	Long Term Rating : CRISIL AA/Positive (Reaffirmed) Short Term Rating : CRISIL A1+ (Reaffirmed)

r. **DEBENTURE TRUSTEE :**

**AXIS TRUSTEE SERVICES LIMITED**

The Ruby, 2<sup>nd</sup> Floor, SW, 29 Senapati Bapat Marg,  
Dadar west, Mumbai – 400028

Website: [www.axistrustee.in](http://www.axistrustee.in)

**8. OTHER DISCLOSURES:**

- a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large:

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year 2023-24 were on arm's length basis. During the year, the Company has not entered into any contracts /arrangements / transactions with related parties which could be considered material in accordance with the Policy on materiality of related party transactions and dealing with related party transactions. The policy on materiality of related party transactions has been displayed on the Company's website <https://www.bkt-tires.com/in/en/investors-desk>.

Details of Transactions with related parties have also been disclosed in Note No. 43 of Standalone Financial Statements.

A summary statement of all related party transactions are placed periodically before the Audit Committee of the Company for its review and approval.

None of the transactions with Related Parties were in conflict with the interest of Company. All the transactions are in the ordinary course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.

- b. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

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

- c. Vigil Mechanism/ Whistle Blower Policy:

Pursuant to Section 177(9) and (10) of the Act, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of Employees and Directors who use such mechanism and makes provision for direct access to the chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Vigil Mechanism/ Whistle Blower Policy is displayed on the Company's website viz. <https://www.bkt-tires.com/in/en/investors-desk>.

- d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all mandatory requirements of Listing Regulations, in respect of Corporate Governance. The following non-mandatory requirements have been adopted by the company:

- I. Auditor's Report does not contain any qualifications.
- II. The Company is in the regime of financial statements with unmodified audit opinion.

- e. Subsidiary Companies:

The Company does not have any material subsidiary as defined under Listing Regulations, however, the policy for determining its 'Material' Subsidiaries was formulated and the same is available on the website of the Company <https://www.bkt-tires.com/in/en/investors-desk>.

The Audit Committee periodically reviews the financial statements and investments made by the unlisted Subsidiary Companies. Also the statements of transactions and arrangements entered into with the unlisted subsidiary companies are placed regularly before the Board of Directors for their review, along with the minutes of the Board Meetings of Indian Subsidiary.

- f. Disclosure of commodity price risks and commodity hedging activities:

Please refer to Management Discussion and Analysis Report for the same.

- g. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Not Applicable

- h. Cyber Security:

The Company has adopted Cyber Security and Data Privacy Policy. The Company recognizes that in today's fast growing digital world, one must be equally conscious of cyber threats. The Company has a robust system to prevent any intrusion into their IT systems and servers thereby protecting the IT assets of the Company.

- i. Insurance:

The Company has taken Directors' and Officers' Liability Insurance Policy for all the Independent Directors and Senior Management of the Company. It is intended to maintain such insurance cover for the entire period of re-appointment, subject to the terms of such policy is renewed from time to time.

- j. A certificate from a company secretary in practice that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority:

The Company has obtained a certificate from G.B.B Babuji, Practicing Company Secretary of the Company, confirming that none of the Directors of the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

- k. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

Particulars	₹ in Lakhs
Fees for audit and related services paid to M/s. JAYANTILAL THAKKAR & CO. and to entities of the network of which the auditor is a part	213.05
Other fees paid to M/s. JAYANTILAL THAKKAR & CO. and to entities of the network of which the auditor is a part	-
<b>Total</b>	<b>213.05</b>

- l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013:

Number of complaints filed during the financial year	NIL
Number of complaints disposed of during the financial year	NIL
Number of complaints pending as on end of the financial year	NIL

- m. Annual Secretarial Compliance report:

Company has obtained Annual Secretarial Compliance report from G.B.B Babuji, Practicing Company Secretary of the Company.

#### 9 RECONCILIATION OF SHARE CAPITAL AUDIT REPORT:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

#### 10. ACCOUNTING TREATMENT:

Disclosure of accounting treatment different from accounting standards: None

#### 11. AGREEMENTS RELATING TO THE COMPANY:

There are no agreements with any party which impact the management or control of the Company or impose any restriction or create any liability upon the Company.

#### 12. DISCRETIONARY REQUIREMENTS:

The Company has adopted discretionary requirements as specified in Part E of Schedule II of Listing Regulations, to the extent of the auditors' report on statutory financial statements of the Company are unqualified.

#### 13. COMPLIANCE WITH GOVERNANCE FRAMEWORK:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations. The Company also has complied with all the mandatory requirements of Corporate Governance as specified in sub paras (2) to (10) of Part C of Schedule V of the SEBI Listing Regulations.

This Corporate Governance Report of the Company for the year 2023-24 is in compliance with the requirements of Corporate Governance under Regulation 27(2) of Listing Regulation.

For and on behalf of the Board of Directors

**ARVIND PODDAR**  
Chairman & Managing Director  
DIN: 00089984

Place : Mumbai  
Dated : 17<sup>th</sup> May, 2024

## COMPLIANCE WITH THE CODE OF BUSINESS CONDUCT AND ETHICS

To,  
The Members of  
Balkrishna Industries Limited

I, Arvind Poddar, Chairman & Managing Director of Balkrishna Industries Limited declare as required under Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that to the best of my knowledge and belief, all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with Balkrishna Industries Limited Code of Conduct of Board of Directors and senior management for the year ended 31st March, 2024.

For and on behalf of the Board of Directors

**ARVIND PODDAR**  
Chairman & Managing Director  
DIN: 00089984

Place : Mumbai  
Dated : 17<sup>th</sup> May, 2024

## CEO / CFO CERTIFICATION

We the undersigned to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2024 and that to the best of our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
  - (i) significant changes, if any, in internal control over financial reporting during the year;
  - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Balkrishna Industries Limited**  
**ARVIND PODDAR**  
 Chairman & Managing Director  
 Place : Mumbai,  
 Dated : 17<sup>th</sup> May, 2024

**For Balkrishna Industries Limited**  
**MADHUSUDAN BAJAJ**  
 Sr. President (Commercial) and CFO

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
 (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Balkrishna Industries Limited having CIN L99999MH1961PLC012185 and having Registered Office at B-66, Waluj Industrial Area, Waluj, Aurangabad 431136, Maharashtra (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the Company	Date of cessation during the year
1.	SHRI ARVIND PODDAR	00089984	31/01/2004	--
2.	SHRI RAJIV PODDAR	00160758	22/01/2009	--
3.	SHRI VIPUL SHAH	05199526	11/02/2012	--
4.	SMT. VIJAYALAXMI PODDAR	00160484	30/05/2012	--
5.	SHRI PANNAKJ CHIMANLAL GHADIALI	00003462	08/11/2017	--
6.	SMT. SHRUTI ANUP SHAH	08337714	08/02/2019	--
7.	SHRI SANDEEP JUNNARKAR	00003534	28/03/2019	27/03/2024
8.	SHRI RAJENDRA DWARKADAS HINGWALA	00160602	28/03/2019	27/03/2024
9.	SHRI LAXMIDAS VALLABHDAS MERCHANT	00007722	28/03/2024	--
10.	SHRI RAHUL YOGENDRA DUTT	08872616	28/03/2024	--

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**G.B.B. Babuji**  
**Practicing Company Secretary**  
 FCS No.1182, CP No.8131  
 PR 1353/2021  
 UDIN: F001182F000386776

Place: Navi Mumbai  
 Date: May 17, 2024

## INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND  
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED

To the Members of

**BALKRISHNA INDUSTRIES LIMITED**

- The Corporate Governance Report prepared by Balkrishna Industries Limited ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ("applicable criteria") with respect to Corporate Governance for the year ended 31<sup>st</sup> March, 2024. This report is required by the Company for annual submission to the Stock exchange.

### Management's Responsibility for compliance with the conditions of SEBI Listing Regulations

- The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
- The Management along with the Board of Directors is also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### Auditor's Responsibility

- Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulations.
- We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
- The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria.

Summary of procedures performed include:

- Read and understood the information prepared by the Company and included in its Corporate Governance Report;
  - Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
  - Obtained and read the Register of Directors as on March 31, 2024 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
  - Obtained and read the minutes of the following committee meetings period from April 1, 2023 to March 31, 2024:
    - Board of Directors;
    - Audit Committee;
    - Annual General Meeting (AGM);
    - Nomination and Remuneration Committee;
    - Stakeholders Relationship Committee;
    - Risk Management Committee; and
    - Corporate Social Responsibility Committee Meeting
  - Obtained necessary declarations from the directors of the Company.
  - Obtained and read the policy adopted by the Company for related party transactions.
  - Obtained the schedule of related party transactions during the year and balances at the year-end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been preapproved prior by the audit committee.
  - Performed necessary inquiries with the management and also obtained necessary specific representations from management.
- The above mentioned procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### Opinion

- Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31<sup>st</sup> March, 2024, referred to in paragraph 4 above.

### Other matters and restriction on use

- This Report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For JAYANTILAL THAKKAR & CO.

CHARTERED ACCOUNTANTS  
(FIRM REG. NO. 104133W)  
VIRAL A. MERCHANT

PARTNER

MEMBERSHIP NO. 116279

UDIN: 24116279BKDOBA8360

PLACE: Mumbai

DATE: 17<sup>th</sup> May, 2024

## INDEPENDENT AUDITOR'S REPORT

To the Members of

**BALKRISHNA INDUSTRIES LIMITED**

Report on the Audit of the Standalone Financial Statements

### OPINION

We have audited the standalone financial statements of Balkrishna Industries Limited (the Company), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2024, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### KEY AUDIT MATTERS

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Description of Key Audit Matters

The key audit matters	How our audit addressed the matter
<p><b>Capitalisation of property, plant and equipment</b></p> <p>During the year ended 31<sup>st</sup> March, 2024, the Company has incurred significant capital expenditure. Further the total additions to property, plant and equipment at various locations of the Company was ₹ 1,59,281 lakhs in the current year as set out in Note No.2. Significant level of judgement is involved to ensure that the aforesaid capital expenditure/additions meet the recognition criteria of Ind AS 16 - Property, Plant and Equipment.</p> <p>As a result, the aforesaid matter was determined to be a key audit matter.</p>	<p><b>Principal Audit Procedures</b></p> <p><b>Our audit procedures included the following substantive procedures:</b></p> <ul style="list-style-type: none"> <li>We assessed the capitalisation process and tested the design and operating effectiveness of the controls in the process.</li> <li>Assessed the nature of the additions made to property, plant and equipment and capital work-in-progress on a test check basis to test that they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16.</li> <li>Reviewed the project completion details provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management.</li> </ul> <p>Based on the above procedures, management's assessment in respect of Capitalisation of property, plant and equipment in the Standalone Financial Statements are considered to be adequate.</p>

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the report of the Board of Directors including Annexures thereto, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March, 2024 on its financial position in its standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv.
      - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested ( either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.
    - v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
 

As stated in Note No. 50 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
    - vi. Proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording Audit trail (edit log) facility is applicable to the Company w.e.f.1<sup>st</sup> April, 2023, and Accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended 31<sup>st</sup> March , 2024.

Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31<sup>st</sup> March , 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1<sup>st</sup> April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31<sup>st</sup> March, 2024.

**For JAYANTILAL THAKKAR & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REG. NO. 104133W)**

**VIRAL A. MERCHANT  
PARTNER  
MEMBERSHIP NO. 116279  
UDIN: 24116279BKDOAY7631**

**PLACE: Mumbai  
DATE: 17<sup>th</sup> May, 2024**

## Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2024, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us, physical verification of these Property, Plant and Equipment is being conducted in a phased programme by the management designed to cover all the assets over a period of three to four years, which in our opinion is reasonable having regard to the size of the Company and the nature of assets. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management, the coverage and procedure of such verification by the management is appropriate, and discrepancies (which is less than 10% in the aggregate for each class of inventory) 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.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from a banks on the basis of security of current assets; the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) The Company has made investments, provided guarantee to its wholly owned subsidiaries and granted unsecured loans to employees during the year, in respect of which:
  - (a) The Company has not provided any loans (other than loan to employees) or advances in the nature of loans during the year, however during the year, the Company has given guarantee to its wholly owned subsidiaries as under-  
Aggregate amount of guarantee outstanding at the balance sheet date ₹ 6,284 lakhs
  - (b) In our opinion, the investments made, guarantee given and the terms and conditions of loans to employees, during the year are, prima facie, not prejudicial to the Company's interest.
  - (c) In respect of loans to employees granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
  - (d) In respect of loans to employees granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
  - (e) No loan to employees granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
  - (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loans, investments and guarantees made.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits from the public within the meaning of Section 73 to 76 of the Act, and the rules framed thereunder.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government, the maintenance of cost records has been prescribed under Section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (vii) (a) According to the records of the Company and the information and explanations given to us, the Company has been regularly depositing with the appropriate authorities undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income tax, Sales-Tax, Service tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues applicable to it. There are no undisputed statutory dues as referred to above as at 31<sup>st</sup> March, 2024 outstanding for a period of more than six months from the date they become payable.

- (b) According to the information and explanations given to us, the dues in respect of Income Tax, Sales Tax, Duty of Customs, Excise Duty, Service Tax and Goods & Service Tax (GST) 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 (₹ in Lakhs)	Period to which the Amount Relates	Forum where dispute is pending
Sales Tax Act	Sales Tax (Including Interest and Penalty)	3	2004-2005	High Court
		61	2011-2012	Tribunal
		298	2012-2015 , 2017-2018	Commissioner (Appeals)
		8	2013-2014	Assessing Authority
Customs Act	Custom Duty (Including Interest and Penalty)	3,739	2012-2014	Supreme Court
		68	2012-2016	CESTAT
		910	2013-2016	High Court
Income Tax Act	Income Tax	71	2015-2016, 2019-2021	Commissioner (Appeals)
Central Excise And Service Tax Act / GST Act	Excise Duty/ Service tax / GST (Including Interest and Penalty)	4,267	2007-2014, 2019-2020	High Court
		83	2015-2020	Commissioner Appeals

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) Based on our audit procedures and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The term loans obtained during the year by the Company have been applied for the purposes for which they were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries companies.
- (x) (a) During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented by the management, there are no whistle blower complaints received by the company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub Section 5 of Section 135 of the Act. This matter has been disclosed in Note 51 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub Section (6) of Section 135 of Companies Act. This matter has been disclosed in Note 51 to the financial statements.

**For JAYANTILAL THAKKAR & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REG. NO. 104133W)**

**VIRAL A. MERCHANT  
PARTNER  
MEMBERSHIP NO. 116279  
UDIN: 24116279BKDOAY7631**

**PLACE: Mumbai  
DATE: 17<sup>th</sup> May, 2024**

## Annexure - B to the Independent Auditors' Report

### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Balkrishna Industries Limited ("the Company") as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

#### AUDITORS' RESPONSIBILITY

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

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

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

#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

#### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

#### OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an internal financial controls with reference to financial statements as at 31<sup>st</sup> March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For JAYANTILAL THAKKAR & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REG. NO. 104133W)

VIRAL A. MERCHANT  
PARTNER  
MEMBERSHIP NO. 116279  
UDIN: 24116279BKDOAY7631

PLACE: Mumbai  
DATE: 17<sup>th</sup> May, 2024

## Standalone Balance Sheet

as at 31st March, 2024

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
<b>I ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	6,20,355	5,26,256
(b) Capital Work-in-Progress	2A	94,443	1,39,160
(c) Investment Property	3	6,425	7,076
(d) Intangible Assets	4	50	23
(e) Right-of-use Assets	4A	1,536	1,562
(f) Financial Assets			
i) Investments	5	1,33,779	1,26,269
ii) Other Financial Assets	6	15,503	9,371
(g) Income tax Assets (Net)	7	1,473	-
(h) Other Non-Current Assets	8	27,671	28,819
<b>TOTAL NON-CURRENT ASSETS</b>		<b>9,01,235</b>	<b>8,38,536</b>
<b>2 CURRENT ASSETS</b>			
(a) Inventories	9	1,27,052	1,59,235
(b) Financial Assets			
i) Investments	10	1,34,899	77,460
ii) Trade Receivables	11	1,54,334	1,25,354
iii) Cash and Cash Equivalents	12	4,738	3,075
iv) Other Bank Balances	13	538	703
v) Loans	14	675	379
vi) Other Financial Assets	15	6,955	5,133
(c) Other Current Assets	16	30,073	17,358
<b>TOTAL CURRENT ASSETS</b>		<b>4,59,264</b>	<b>3,88,697</b>
<b>TOTAL ASSETS</b>		<b>13,60,499</b>	<b>12,27,233</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Share Capital	17	3,866	3,866
(b) Other Equity	18	8,82,327	7,55,048
<b>TOTAL EQUITY</b>		<b>8,86,193</b>	<b>7,58,914</b>
<b>LIABILITIES</b>			
<b>1 NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
i) Borrowings	19	69,144	1,03,809
ii) Other Financial Liabilities	20	1,592	6,365
(b) Provisions	21	3,028	2,645
(c) Deferred Tax Liabilities (Net)	22	34,936	24,129
(d) Other Non-Current Liabilities	23	7,519	6,259
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,16,219</b>	<b>1,43,207</b>
<b>2 CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
i) Borrowings	24	2,34,545	2,21,584
ii) Lease Liabilities	24A	-	4
iii) Trade Payable			
Total outstanding due of Micro and Small Enterprise	25	2,093	2,169
Total outstanding due of creditors Other than Micro and Small Enterprise	25	87,165	46,486
iv) Other Financial Liabilities	26	15,626	21,817
(b) Other Current Liabilities	27	18,215	32,531
(c) Provisions	28	443	426
(d) Current Tax Liabilities (Net)	28A	-	95
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,58,087</b>	<b>3,25,112</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>13,60,499</b>	<b>12,27,233</b>

Financial Statements Standalone

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

As per our report of even date attached  
**For JAYANTILAL THAKKAR & CO.**  
 Chartered Accountants  
 (Firm Reg. no.104133W)

**VIRAL A. MERCHANT**  
 Partner  
 Membership No.116279  
 Place : Mumbai  
 Dated: 17th May, 2024

**MADHUSUDAN BAJAJ**  
 Sr. President (Commercial) & CFO

For and on behalf of the Board of Directors  
**ARVIND PODDAR** Chairman & Managing Director

**RAJIV PODDAR** Joint Managing Director

**VIPUL SHAH** Director & Company Secretary

Place : Mumbai  
 Dated: 17th May, 2024

## Standalone Statement of Profit and Loss

for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Note No.	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>I Revenue From Operations</b>	29	9,29,870	9,81,052
<b>II Other Income</b>	30	44,774	33,779
<b>III Total Income (I+II)</b>		<b>9,74,644</b>	<b>10,14,831</b>
<b>IV Expenses :</b>			
Cost of Materials Consumed	31	4,40,445	4,80,419
Purchases of Stock-in-Trade	32	11,683	10,438
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	33	(4,689)	4,719
Employee Benefits Expense	34	44,125	40,416
Finance Cost	35	10,893	4,564
Depreciation and Amortisation Expense	36	64,378	55,663
Other Expenses	37	2,17,900	2,73,496
<b>Total Expenses</b>		<b>7,84,735</b>	<b>8,69,715</b>
<b>V Profit Before Tax (III-IV)</b>		<b>1,89,909</b>	<b>1,45,116</b>
<b>VI Tax Expenses</b>			
Current tax		40,200	34,457
Short/(Excess) provision of earlier years		-	225
Deferred tax		5,948	2,563
<b>Total Tax Expenses</b>		<b>46,148</b>	<b>37,245</b>
<b>VII Profit After Tax (V-VI)</b>		<b>1,43,761</b>	<b>1,07,871</b>
<b>VIII Other Comprehensive Income</b>			
1 i) Items that will not be reclassified to profit or loss :			
Remeasurements of Defined Benefit Plans		(79)	(34)
ii) Income Tax		20	8
2 i) Items that will be reclassified to profit or loss :			
The effective portion of gain and (losses) on hedging instruments in a cash flow hedge		19,387	(13,973)
ii) Income Tax		(4,879)	3,516
<b>Total Other Comprehensive Income (1+2)</b>		<b>14,449</b>	<b>(10,483)</b>
<b>IX Total Comprehensive Income (VII+VIII)</b>		<b>1,58,210</b>	<b>97,388</b>
<b>X Earnings per equity share:</b>			
Basic and Diluted	42	74.37	55.80

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As per our report of even date attached  
**For JAYANTILAL THAKKAR & CO.**  
Chartered Accountants  
(Firm Reg. no.104133W)

**VIRAL A. MERCHANT**  
Partner  
Membership No.116279  
Place : Mumbai  
Dated: 17th May, 2024

**MADHUSUDAN BAJAJ**  
Sr. President (Commercial) & CFO

For and on behalf of the Board of Directors  
**ARVIND PODDAR** Chairman & Managing Director

**RAJIV PODDAR** Joint Managing Director

**VIPUL SHAH** Director & Company Secretary

Place : Mumbai  
Dated: 17th May, 2024



## Standalone Statement of Changes in Equity

for the year ended 31st March, 2024

(a) Equity share capital

(₹ in Lakhs)

Particulars	No. of Shares	Amount
Balance as at 1st April, 2022	19,33,17,190	3,866
Changes in equity share capital	-	-
Balance as at 31st March, 2023	19,33,17,190	3,866
Changes in equity share capital	-	-
Balance as at 31st March, 2024	19,33,17,190	3,866

(b) Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus		Statement of other comprehensive Income		Total other equity
	General Reserve	Retained earnings	Remeasurements of the net defined benefit Plans	Effective portion of Cash flow Hedges	
Balance as at 1st April, 2022	4,40,000	2,42,130	(1,456)	7,915	6,88,589
<b>Total Comprehensive</b>					
Profit for the year	-	1,07,871	-	-	1,07,871
Other comprehensive income for the year	-	-	(25)	(10,457)	(10,482)
<b>Transactions with owners of the company</b>					
Interim Dividend on Equity Shares	-	(23,198)	-	-	(23,198)
Dividend on Equity Shares	-	(7,732)	-	-	(7,732)
Transferred to General Reserve	-	(40,000)	-	-	(40,000)
Transferred from Retained Earnings	40,000	-	-	-	40,000
Balance as at 31st March, 2023	4,80,000	2,79,071	(1,481)	(2,542)	7,55,048
<b>Total Comprehensive</b>					
Profit for the year	-	1,43,761	-	-	1,43,761
Other comprehensive income for the year	-	-	(59)	14,507	14,448
<b>Transactions with owners of the company</b>					
Interim Dividend on Equity Shares	-	(23,198)	-	-	(23,198)
Dividend on Equity Shares	-	(7,732)	-	-	(7,732)
Transferred to General Reserve	-	(40,000)	-	-	(40,000)
Transferred from Retained Earnings	40,000	-	-	-	40,000
Balance as at 31st March, 2024	5,20,000	3,51,902	(1,540)	11,965	8,82,327

Financial Statements Standalone

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

As per our report of even date attached

**For JAYANTILAL THAKKAR & CO.**  
Chartered Accountants  
(Firm Reg. no.104133W)

**VIRAL A. MERCHANT**  
Partner  
Membership No.116279

Place : Mumbai  
Dated: 17th May, 2024

**MADHUSUDAN BAJAJ**  
Sr. President (Commercial) & CFO

For and on behalf of the Board of Directors

**ARVIND PODDAR** Chairman & Managing Director

**RAJIV PODDAR** Joint Managing Director

**VIPUL SHAH** Director & Company Secretary

Place : Mumbai  
Dated: 17th May, 2024

## Standalone Cash Flow Statement

for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit before Tax	1,89,909	1,45,116
Adjustment for :		
Depreciation and Amortisation	64,378	55,663
Withdrawal of Provision of Doubtful Loan	(50)	(210)
Investment written off	-	72
Net mark to market (Gain)/Loss on investments	(17,188)	1,762
Income from Investments	(3,837)	(8,609)
Finance Cost	10,893	4,564
Interest Income including on investments	(4,740)	(3,641)
(Profit) /Loss on Sale of Property, Plant and Equipment	(954)	(179)
Property, Plant and Equipment Discarded	17	470
Unrealised Foreign Exchange differences (Gain)/Loss	(5,521)	8,849
Actuarial gains/(losses) reclassified to OCI	(79)	(34)
Export Incentive on account of EPCG (Benefit)/Utilised	(2,093)	(4,169)
	<b>40,826</b>	<b>54,538</b>
<b>Operating profit before working capital changes</b>	<b>2,30,735</b>	<b>1,99,654</b>
Adjustment for:		
Trade and other receivables	(42,592)	(4,258)
Other Financial Assets	165	(123)
Inventories	32,183	4,705
Trade payables	26,524	(24,754)
	<b>16,280</b>	<b>(24,430)</b>
<b>Cash generated from operations</b>	<b>2,47,015</b>	<b>1,75,224</b>
Direct taxes paid	(41,768)	(33,791)
<b>Net cash from Operating Activities</b>	<b>2,05,247</b>	<b>1,41,433</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Property, Plant and Equipment	(1,09,190)	(1,75,140)
Sale of Property, Plant and Equipment	1,720	1,022
Purchase of Investments	(2,61,955)	(19,830)
Sale of Investments	2,16,157	10,998
Inter Corporate Loan Refund Received	50	210
Interest received	4,735	3,794
Income/Dividend Received on Investments	1,693	1,742
<b>Net cash used in Investing Activities</b>	<b>(1,46,790)</b>	<b>(1,77,204)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds/(Repayment) of Short Term Borrowings (Net)	(30,676)	32,272
Proceeds from Long Term Borrowings	2,94,439	3,92,126
Repayment of Long Term Borrowings	(2,79,858)	(3,53,617)
Dividend paid (including tax thereon)	(30,945)	(30,909)
Lease Liability paid	(4)	(6)
Finance Cost paid	(9,760)	(3,962)
<b>Net Cash from Financing Activities</b>	<b>(56,804)</b>	<b>35,904</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>1,653</b>	<b>133</b>
Exchange difference on cash and cash equivalents	10	(3)
Cash and cash equivalents as at the beginning of the year	3,075	2,945
Cash and cash equivalents as at the end of the year	4,738	3,075

Financial Statements Standalone

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

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.  
Chartered Accountants  
(Firm Reg. no.104133W)

VIRAL A. MERCHANT  
Partner  
Membership No.116279  
Place : Mumbai  
Dated: 17th May, 2024

MADHUSUDAN BAJAJ  
Sr. President (Commercial) & CFO

For and on behalf of the Board of Directors

ARVIND PODDAR Chairman &amp; Managing Director

RAJIV PODDAR Joint Managing Director

VIPUL SHAH Director &amp; Company Secretary

Place : Mumbai  
Dated: 17th May, 2024

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31st March, 2024

## 1 (A) General information

Balkrishna Industries Limited ('the Company') is engaged in the business of manufacturing and selling of "Off-Highway Tyres" (OHT) in the specialist segments such as Agricultural, Industrial & Construction, Earthmovers & Port, Mining, Forestry, Lawn & Garden and All Terrain Vehicles (ATV).

The company is a public limited company incorporated and domiciled in India and has its registered office at Waluj MIDC, Chhatrapati Sambhajnagar, Maharashtra, India.

## (B) Material Accounting policies

### (a) Basis of preparation

- (i) The financial statements have been prepared in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.
- (ii) The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:
  1. Financial instruments measured at fair value through profit and loss
  2. Financial instruments measured at fair value through other comprehensive income
  3. Defined benefit plans – plan assets measured at fair value

### (b) Foreign currency translation

#### (i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (₹), which is the company's functional and presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit and loss are also recognised in OCI or profit and loss, respectively).

### (c) Revenue recognition

The Company has adopted Ind AS 115, Revenue from Contract with Customers.

Revenue is measured at the transaction price of the consideration received or receivable. Revenue from sale of goods is recognised; when the significant risks and rewards in respect of ownership of products are transferred by the Company, the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and no significant uncertainty exist regarding the amount of consideration that will be derived from the sale of goods as well as regarding its ultimate collection. Amounts disclosed as revenue are net of variable consideration on account of various Discounts, Rebates, incentives offered by the Company as a part of the contract.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

#### Sale of goods

Revenue from sale of products is recognised when the significant risks and rewards in respect of ownership of products are transferred by the Company as well as the controls on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customers or on delivery to the customers, as may be specified in the contract.

#### Export Benefits

Export Incentives under prevalent schemes under EXIM policy/ Foreign Trade Policy are accounted once received by Company from the Government. 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.

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Profit and Loss on a systematic basis as and when export obligation are fulfilled.

**Dividend income**

Dividend is recognised as revenue when the right to receive payment has been established.

**Interest income**

For all interest bearing financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

**(d) Property, Plant and Equipment (PPE)****i. Recognition and measurement**

Freehold land is carried at historical cost. All other items of PPE are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of PPE comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

The Company has elected to continue with the carrying value of all its property, plant and equipment as recognised in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Any gain or loss on disposal of an item of PPE is recognised in profit and loss.

**ii. Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**iii. Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on PPE has been provided based on useful life of the assets in accordance with Schedule II to the Companies Act, 2013, on Straight Line Method.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Profit and loss on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

Asset Class	Useful Life
Freehold Land	Non-Depreciable
Buildings	3 Years to 60 Years
Plant & Equipment	3 Years to 20 Years
Furniture & Fixture, Electrical Installation	3 Years to 10 Years
Vehicle	3 Years to 10 Years
Office Equipment, Air Conditioners	3 Years to 5 Years
Computers	3 Years

**(e) Investment properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives.

Asset Class	Useful Life
Investment properties	60 Years

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

### (f) Intangible assets

Intangible assets comprise application software purchased, which are not an integral part of the related hardware, and are amortized on a straight line method, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific to which it relates.

The Company has elected to continue with the carrying value of all its intangible assets as recognised in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101

Asset Class	Useful Life
Software	3 Years to 6 Years

### (g) Impairment of non-financial assets

Assets that have a definite useful life are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired.

The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

### (h) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other cost that an entity incurs in connection with borrowing of funds. Borrowing cost also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.

### (i) Lease

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Leasehold land is amortised over the lease period.

Asset Class	Useful Life
Leasehold Land	60 Years to 100 Years

### (j) Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

#### i. Current tax

Current tax asset or liability comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset only if:

- there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority; and
- there is intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

ii. **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences (if any) to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset only if they relate to income taxes levied by the same taxation authority on the same taxable entity.

(k) **Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, call deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(l) **Inventories**

Raw materials, packing materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value, cost is calculated on moving weighted average basis.

In respect of finished goods, cost includes materials, appropriate share of utilities, other overheads and applicable excise duty. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(m) **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 PPE.

(n) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

i. **Financial assets****Classification**

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

**Debt instruments**

- A debt instrument is measured at the amortised cost if both the following conditions are met:
  - a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss.
- Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognised in the statement of profit and loss.

### Equity instruments

- The Company subsequently measures all equity investments in companies other than equity investments in subsidiaries, at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit and loss as other income when the Company's right to receive payments is established.

### De-recognition

- A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:
  - The rights to receive cash flows from the asset have expired, or
  - The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

## ii. Financial liabilities

### Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

### Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

### Gains or losses on liabilities held for trading are recognised in the profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL,

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**Derivative financial instruments**

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. For contracts where hedge accounting is not followed, such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**iii. Hedge accounting**

Forward exchange contracts entered to hedge highly probable forecast revenues are recorded using the principles of hedge accounting as per Ind AS 109. Such forward exchange contracts which qualify for cash flow hedge accounting and where the conditions of Ind AS 109 have been met are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of the future cash flows are recognised directly under shareholder's funds in the cash flow hedging reserve and the ineffective portion is recognised immediately in the statement of profit and loss.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued when the hedging instrument expires or is sold or terminated or exercised or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument recognised in shareholders' funds is transferred to statement of profit and loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders' funds is transferred to the statement of profit and loss.

**(o) Employee benefits****i. Short term employee benefits**

Short term employee benefits consisting of wages, salaries, social security contributions, ex-gratia and accrued leave, are benefits payable and recognised in 12 months. Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the year as the related service are rendered by the employee.

**ii. Defined contribution plans**

Company's contribution for the year paid/payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss

The Company's contribution towards provident fund, superannuation fund and employee state insurance scheme for certain eligible employees are considered to be defined contribution plan for which the Company made contribution on monthly basis.



## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

### iii. Defined benefit plans

Company's liabilities towards defined benefit plans and other long term benefits viz. gratuity and compensated absences expected to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognised in the Statement of other comprehensive income in the period of occurrence of such gains and losses. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets, if any.

### (p) Provisions , Contingent Liabilities and Contingent Assets

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Where an inflow of economic benefits is probable, the Company shall disclose a brief description of the nature of the contingent assets at the year end and wherever practicable, an estimate of their financial effect.

### (q) Earnings per share (EPS)

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

### (r) Current vs non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### (s) Key estimates and assumptions

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

- Determination of the estimated useful lives of tangible assets and intangible assets and the assessment as to which components of the cost may be capitalized.

Useful lives of tangible assets and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on management estimate, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalised.

- Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

post-employment benefit obligations.

- Provisions and contingent liabilities

The Company exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

- Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO.

They regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(t) **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(u) **Recent pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31<sup>st</sup> March, 2024, MCA had not notified any new standards or amendments to the existing standards applicable to the company.

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.2 PROPERTY, PLANT AND EQUIPMENTS AS AT 31ST MARCH, 2024**

(₹ in Lakhs)

Particulars	Gross Block (At Cost)				Depreciation (Including Amortisation)				(Net Block)
	Balance As at 1st April, 2023	Additions / Adjustment During the year	Deductions During the year	Balance As at 31st March, 2024	Balance As at 1st April, 2023	*For the Year	Deductions During the year	Balance As at 31st March, 2024	As At 31st March, 2024
<b>Tangible assets</b>									
(a) Freehold Land	7,766	5,102	-	12,868	-	-	-	-	12,868
(b) Buildings	1,69,675	39,915	15	2,09,575	31,339	6,549	0#	37,888	1,71,687
(c) Plant and Equipment	5,91,656	1,01,054	734	6,91,976	2,40,698	52,301	716	2,92,283	3,99,693
(d) Furniture and Fixtures	9,338	1,805	-	11,143	5,170	1,000	-	6,170	4,973
(e) Vehicles	4,339	702	525	4,516	1,905	469	295	2,079	2,437
(f) Office Equipment	1,880	128	-	2,008	1,016	218	-	1,234	774
(g) Others:									
Electric Installations	33,023	9,828	63	42,788	13,097	3,578	61	16,614	26,174
Air Conditioners	1,812	465	-	2,277	1,223	234	-	1,457	820
Computer	2,881	282	60	3,103	1,666	568	60	2,174	929
<b>TOTAL</b>	<b>8,22,370</b>	<b>1,59,281</b>	<b>1,397</b>	<b>9,80,254</b>	<b>2,96,114</b>	<b>64,917</b>	<b>1,132</b>	<b>3,59,899</b>	<b>6,20,355</b>

\* Including Depreciation capitalised ₹ 715 Lakhs

# ₹ 6,228

**PROPERTY, PLANT AND EQUIPMENTS AS AT 31ST MARCH, 2023**

(₹ in Lakhs)

Particulars	Gross Block (At Cost)				Depreciation (Including Amortisation)				(Net Block)
	Balance As at 1st April, 2022	Additions / Adjustment During the year	Deductions During the year	Balance As at 31st March, 2023	Balance As at 1st April, 2022	*For the Year	Deductions During the year	Balance As at 31st March, 2023	As At 31st March, 2023
<b>Tangible assets</b>									
(a) Freehold Land	7,059	707	-	7,766	-	-	-	-	7,766
(b) Buildings	1,52,565	17,110	-	1,69,675	25,706	5,633	-	31,339	1,38,336
(c) Plant and Equipment	4,31,478	1,63,014	2,836	5,91,656	1,97,693	45,281	2,276	2,40,698	3,50,958
(d) Furniture and Fixtures	8,639	835	136	9,338	4,472	833	135	5,170	4,168
(e) Vehicles	3,284	1,218	163	4,339	1,621	411	127	1,905	2,434
(f) Office Equipment	1,221	674	15	1,880	894	137	15	1,016	864
(g) Others:									
Electric Installations	24,001	9,092	70	33,023	10,336	2,831	70	13,097	19,926
Air Conditioners	1,431	390	9	1,812	1,073	159	9	1,223	589
Computer	2,370	536	25	2,881	1,192	498	24	1,666	1,215
<b>TOTAL</b>	<b>6,32,048</b>	<b>1,93,576</b>	<b>3,254</b>	<b>8,22,370</b>	<b>2,42,987</b>	<b>55,783</b>	<b>2,656</b>	<b>2,96,114</b>	<b>5,26,256</b>

\* Including Depreciation capitalised ₹ 295 Lakhs.

**NOTE NO. 2A CAPITAL WORK IN PROGRESS AGEING AS AT 31ST MARCH, 2024**

(₹ in Lakhs)

Particulars	Less than one year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	50,496	35,636	5,000	3,311	94,443
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>50,496</b>	<b>35,636</b>	<b>5,000</b>	<b>3,311</b>	<b>94,443</b>

**CAPITAL WORK IN PROGRESS AGEING AS AT 31ST MARCH, 2023**

(₹ in Lakhs)

Particulars	Less than one year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	1,15,638	18,481	2,204	2,837	1,39,160
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,15,638</b>	<b>18,481</b>	<b>2,204</b>	<b>2,837</b>	<b>1,39,160</b>

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

Expected Completion Schedule of Capital work-in progress where time overrun has exceeded original Plan as on 31st March, 2024 (₹ in Lakhs)

Particulars	(To be completed in)			
	Less than one year	1-2 Years	2-3 Years	More than 3 Years
Project-1	35,988	-	-	-

There are no projects which have exceeded its cost compared to its original plan.

Expected Completion Schedule of Capital work-in progress where time overrun has exceeded original Plan as on 31st March, 2023 (₹ in Lakhs)

Particulars	(To be completed in)			
	Less than one year	1-2 Years	2-3 Years	More than 3 Years
Project-1	30,127	-	-	-

There are no projects which have exceeded its cost compared to its original plan.

## NOTE NO.3 INVESTMENT PROPERTY AS AT 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	Gross Block (At Cost)				Depreciation (Including Amortisation)				(Net Block)
	Balance As at 1st April, 2023	Additions During the year	Deductions During the year	Balance As at 31st March, 2024	Balance As at 1st April, 2023	For the Year	Deductions During the year	Balance As at 31st March, 2024	As At 31st March, 2024
Buildings	8,012	-	604	7,408	936	133	86	983	6,425
<b>TOTAL</b>	<b>8,012</b>	<b>-</b>	<b>604</b>	<b>7,408</b>	<b>936</b>	<b>133</b>	<b>86</b>	<b>983</b>	<b>6,425</b>

## INVESTMENT PROPERTY AS AT 31ST MARCH, 2023

(₹ in Lakhs)

Particulars	Gross Block (At Cost)				Depreciation (Including Amortisation)				(Net Block)
	Balance As at 1st April, 2022	Additions During the year	Deductions During the year	Balance As at 31st March, 2023	Balance As at 1st April, 2022	For the Year	Deductions During the year	Balance As at 31st March, 2023	As At 31st March, 2023
Buildings	8,804	-	792	8,012	870	144	78	936	7,076
<b>TOTAL</b>	<b>8,804</b>	<b>-</b>	<b>792</b>	<b>8,012</b>	<b>870</b>	<b>144</b>	<b>78</b>	<b>936</b>	<b>7,076</b>

## i) Amounts recognised in Profit and Loss for Investment Properties

(₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Rental income derived from investment properties	560	293
Direct operating expenses (including repair and maintenance) generating rental income	(10)	(35)
Direct operating expenses (including repair and maintenance) not generating rental income	(24)	(37)

## ii) Fair value

(₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Investment properties	23,051	23,915

## Estimation of fair value

The company obtains independent valuations for its investment properties from an independent valuer. The main inputs used for determining fair values of investment properties are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data.

## NOTE NO.4 INTANGIBLE ASSETS AS AT 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	Gross Block (At Cost)				Depreciation (Including Amortisation)				(Net Block)
	Balance As at 1st April, 2023	Additions During the year	Deductions During the year	Balance As at 31st March, 2024	Balance As at 1st April, 2023	For the Year	Deductions During the year	Balance As at 31st March, 2024	As At 31st March, 2024
Computer software	617	51	-	668	594	24	-	618	50
Trademark	10	-	-	10	10	0#	-	10	-
<b>TOTAL</b>	<b>627</b>	<b>51</b>	<b>-</b>	<b>678</b>	<b>604</b>	<b>24</b>	<b>-</b>	<b>628</b>	<b>50</b>

# ₹ 53,179

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**
**INTANGIBLE ASSETS AS AT 31ST MARCH, 2023**

(₹ in Lakhs)

Particulars	Gross Block (At Cost)			Depreciation (Including Amortisation)				(Net Block)	
	Balance As at 1st April, 2022	Additions During the year	Deductions During the year	Balance As at 31st March, 2023	Balance As at 1st April, 2022	For the Year	Deductions During the year	Balance As at 31st March, 2023	As At 31st March, 2023
Computer software	614	9	6	617	590	10	6	594	23
Trademark	10	-	-	10	8	2	-	10	0#
<b>TOTAL</b>	<b>624</b>	<b>9</b>	<b>6</b>	<b>627</b>	<b>598</b>	<b>12</b>	<b>6</b>	<b>604</b>	<b>23</b>

# ₹ 53,179

**NOTE NO. 4A - RIGHT-OF-USE ASSETS**

The Company has lease contracts land and for vehicle in its operation. The Companies obligation under its leases is secured by the lessor title to the lease assets. The Company is restricted from assigning and sub leasing the lease assets. The lease contract does not include extension and termination options and variable lease payments. The effective rate of interest for lease liabilities is 8.70%.

Set out below are the carrying amounts of rights-of-use assets recognised and the movement during the period: (₹ in Lakhs)

Particulars	Land	Vehicle	Total
As at 1st April, 2022	1,580	9	1,589
Addition/(Deduction)- Net	-	-	-
Less: Depreciation expenses	22	5	27
As at 1st April, 2023	1,558	4	1,562
Addition/(Deduction)- Net	-	-	-
Less: Depreciation expenses	22	4	26
As at 31st March, 2024	1,536	-	1,536

Set out below are the carrying amounts of Lease Liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	4	9
Addition/ (Deduction)- Net	-	-
Accretion of Interest (₹ 15,936)	0	1
Less: Payments	4	6
<b>Closing Balance</b>	<b>-</b>	<b>4</b>
Current	-	4
Non-Current	-	-

The following are the amounts recognised in Profit and Loss :

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Depreciation expenses of right of use assets*	26	27
Interest expenses on lease liabilities (₹ 15,936)	0	1
Expenses relating to short term lease and low value leased (included in other expenses)	511	513
<b>Total amount recognised in profit and loss</b>	<b>537</b>	<b>541</b>

The Company had total cash outflow for lease of ₹ 515 lakhs in 31st March, 2024 ( Previous Year ₹ 519 lakhs)

\* Including depreciation capitalised ₹ 8 Lakhs (Previous Year ₹ 8 lakhs)

**NOTE NO.5 INVESTMENTS ( NON-CURRENT)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
<b>A Investments at Cost</b>				
<b>Unquoted</b>				
<b>a) Investment in Equity Shares</b>				
( Fully paid up Shares)				
<b>i) In 100 % Subsidiaries Companies</b>				
BKT Tyres Ltd. of ₹ 10 each	6,00,000	60	50,000	5
BKT EUROPE SRL	-	13	-	13
BKT USA INC	1,000	1	1,000	1
BKT Tires (Canada) INC	5,000	3	5,000	3
BKT TIRES INC (w.e.f 22.06.2023) ; BKT Exim US INC (up to 21.06.2023)	6,000	37	6,000	37
		<b>114</b>		<b>59</b>

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**  
**NOTE NO.5 INVESTMENTS ( NON-CURRENT)** (₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
<b>ii) In other Companies</b>				
<b>Unquoted</b>				
National Stock Exchange of India Limited of ₹ 1 each	4,14,000	10,110	1,84,000	3,310
BDR Pharmaceuticals International Pvt. Limited of ₹ 10 each	725	993	725	993
Care Health Insurance Limited of ₹ 10 each	4,78,795	1,015	4,78,795	1,015
		<b>12,118</b>		<b>5,318</b>
<b>b) Investment in Preference Shares</b>				
<b>Unquoted</b>				
7.15 % Preference Shares of Tata Capital Limited of ₹ 1,000 each	-	-	2,00,000	2,000
0.001% Series C Compulsorily Convertible Non Cumulative Preference Shares of Vay Network Services Pvt Limited of ₹ 2 each	11,190	94	11,190	94
0.0001% Series A & B Compulsorily Convertible Non Cumulative Preference Shares of Newspace Research & Technology Pvt Limited of ₹ 10 each	2,45,120	1,275	2,25,120	1,123
0.01% Series B Compulsorily Convertible Non Cumulative Preference Shares of Bombinate Technologies Pvt Limited of ₹ 100 each	602	500	602	500
0.01% Series A Compulsorily Convertible Non Cumulative Preference Shares of Altigreen Propulsion Labs Pvt Limited of ₹ 100 each	1,356	200	1,356	200
0.001% Series A Compulsorily Convertible Non Cumulative Preference Shares of Globalbees Brands Pvt Limited of ₹ 5 each	104	528	104	528
0.01% Series A1 Non Cumulative Fully Mandatorily Compulsorily Convertible Preference Shares of BDR Pharmaceuticals International Pvt Limited of ₹ 20 each	369	505	-	-
Non convertible non cumulative redeemable preference shares Music Broad cast of ₹ 10 each	30,000	30	30,000	30
		<b>3,132</b>		<b>4,475</b>
<b>B Investment carried at amortised cost</b>				
<b>Unquoted</b>				
<b>a) Investment in Preference Shares</b>				
(Fully paid up Shares)				
7.50 % Preference Shares of Tata Capital Limited of ₹ 1,000 each	-	-	2,00,000	2,006
				<b>2,006</b>
<b>Quoted</b>				
<b>b) Investment in Tax Free Bonds</b>				
7.07 % NABARD Tax Free Bonds of ₹ 10,00,000 each	550	5,560	550	5,591
7.14 % NHAI Tax Free Bond of ₹ 1,000 each	2,85,698	2,874	2,85,698	2,884
7.36% IIFC Tax Free Bond of ₹ 1,000 each	4,00,000	4,113	4,00,000	4,144
		<b>12,547</b>		<b>12,619</b>
<b>c) Investment in Government Bonds</b>				
7.18% Government of India Sovereign Bond of ₹ 100 each	15,00,000	1,478	-	-
		<b>1,478</b>		<b>-</b>
<b>d) Investment in Perpetual Bonds</b>				
8.50 % SBI Perpetual Bond of ₹ 10,00,000 each	-	-	200	2,000
8.75 % SBI Perpetual Bond of ₹ 10,00,000 each	-	-	290	2,912
7.55 % SBI Perpetual Bond of ₹ 1,00,00,000 each	5	497	5	495
8.70 % BOB Perpetual Bond of ₹ 10,00,000 each	-	-	700	6,998
8.25 % BOB Perpetual Bond of ₹ 10,00,000 each	450	4,490	450	4,483
8.50 % BOB Perpetual Bond of ₹ 10,00,000 each	480	4,800	480	4,800
8.15 % BOB Perpetual Bond of ₹ 10,00,000 each	50	501	50	502
8.70 % HDB Perpetual Bond of ₹ 10,00,000 each	50	503	50	503
		<b>10,791</b>		<b>22,693</b>
<b>C Investment carried at fair value through Profit and Loss</b>				
<b>a) Investment in Non Convertible Debenture</b>				
<b>Quoted:</b>				
Nuvama Wealth Limited of ₹ 1,00,000 each	500	478	-	-

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.5 INVESTMENTS ( NON-CURRENT)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
Shriram Finance Limited of ₹ 10,00,000 each	-	-	50	519
Shriram Finance Limited of ₹ 1,00,000 each	500	514	-	-
MAS Financial Services Limited of ₹ 10,00,000 each	-	-	100	1,018
S K Fincorp Limited of ₹ 10,00,000 each	-	-	150	1,613
Tata Capital Limited (erstwhile Tata Cleantech Capital Limited) of ₹ 10,00,000 each	100	1,089	100	1,012
L&T Finance Limited of ₹ 10,00,000 each	250	2,711	250	2,498
Motilal Oswal Finvest Limited of ₹ 10,00,000 each	-	-	100	1,021
Alpha Alternatives Financial Services Private Limited of ₹ 1,00,000 each	424	508	-	-
360 One Prime Limited (erstwhile IIFL Wealth Prime Limited ) of ₹ 1,00,000 each	1,000	1,077	500	500
		<b>6,377</b>		<b>8,181</b>
<b>Unquoted:</b>				
Avendus Finance Pvt Limited of ₹ 10,00,000 each	300	3,037	-	-
Tenshi Pharmaceuticals Private Limited of ₹ 10,00,000 each	125	1,293	-	-
		<b>4,330</b>		<b>-</b>
<b>Unquoted:</b>				
<b>b) Investment in Alternate Investment Fund</b>				
360 One (erstwhile IIFL) Special Opportunities Fund Series 7 of ₹ 10 each	3,67,27,003	7,180	3,67,27,003	5,772
360 One (erstwhile IIFL) India Private Equity Fund Series 1A of ₹ 10 each	46,03,432	651	46,03,432	440
360 One (erstwhile IIFL) Special Opportunities Fund Series 8 of ₹ 10 each	46,24,798	637	46,24,798	557
360 One (erstwhile IIFL) Special Opportunities Fund of Fund 1 of ₹ 10 each	90,27,646	1,149	90,27,646	1,140
360 One (erstwhile IIFL) Special Opportunities Fund Series 10 of ₹ 10 each	49,66,529	660	49,66,529	526
360 One Commercial Yield Fund of ₹ 10 each	95,06,313	1,053	-	-
BPEA Credit India Fund III of ₹ 100 each	11,47,500	1,234	7,27,500	738
Chirate Ventures India Fund IV of ₹ 1,00,000 each	853	1,259	750	1,165
TVS Shriram Growth Fund 3 of ₹ 1,000 each	1,15,214	1,865	1,14,513	1,760
Inflexor Technology IX of ₹ 1,00,000 each	291	291	196	204
Blume Venture Fund IX of ₹ 100 each	5,00,000	996	5,00,000	1,033
Blume Venture Fund IV of ₹ 100 each	2,15,000	216	1,50,000	175
Xponentia Opportunities Fund of ₹ 1,00,000 each	399	668	399	598
Avendus Future Leader Fund II of ₹ 1,00,000 each	415	435	298	288
Multiple Pvt Equity Fund III of ₹ 100 each	4,65,209	507	3,58,435	451
Multiple Pvt Equity Fund IV of ₹ 100 each	73,610	72	-	-
Six Sense India Opportunity of ₹ 1,000 each	2,00,000	2,378	1,70,000	1,860
3One4 Capital - Fund III of ₹ 1,00,000 each	1,500	1,230	1,500	1,392
Trifecta Venture Debt Fund III of ₹ 100 each	18,38,200	1,886	13,48,200	1,418
Sageone - Flagship Growth 2 Fund of ₹ 1,000 each	97,836	1,397	97,836	861
White Oak India Equity Fund V of ₹ 10 each	99,46,812	1,250	99,46,812	928
Alchemy Leaders Of Tomorrow Fund of ₹ 100 each	9,26,916	1,379	9,26,916	866
Avendus Structure Credit Fund II of ₹ 1,00,000 each	1,191	1,259	906	906
Innoven Capital India Fund of ₹ 100 each	8,00,000	810	7,00,000	726
Fireside Venture Investment Fund III of ₹ 1,00,000 each	120	106	60	60
ASK Golden Decade Fund of ₹ 100 each	1,46,028	1,829	1,46,028	1,410
Alphamine Absolute Return Fund of ₹ 100 each	4,99,975	535	-	-
Lighthouse India Fund IV of ₹ 1,00,000 each	211	211	-	-
Altacura AI Absolute Return Fund of ₹ 100 each	5,00,000	519	-	-
Alpha Alternative MSAR LLP of ₹ 100 each	-	-	9,99,950	1,022
JM Financial Credit Opportunities Fund - I of ₹ 1,00,000 each	736	747	-	-
Alteria Capital Fund II of ₹ 100 each	15,96,081	1,602	20,00,000	2,051
		<b>36,011</b>		<b>28,347</b>

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.5 INVESTMENTS ( NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
<b>c) Investment in Mutual fund</b>				
<b>Quoted:</b>				
Bharat Bond ETF April 2030 of ₹ 1,000 each	10,00,000	13,565	10,00,000	12,535
Bharat Bond ETF April 2031 of ₹ 1,000 each	17,50,233	21,237	17,50,233	19,533
Bharat Bond ETF April 2033 of ₹ 1,000 each	2,99,985	3,331	2,99,985	3,048
		<b>38,133</b>		<b>35,116</b>
<b>Unquoted:</b>				
Edelweiss Bharat Bond FOF April 2032 of ₹ 10 each	2,96,92,960	3,370	2,96,92,960	3,106
Edelweiss CRISIL IBX 50:50 Gilt Plus SDL April 2037 Index Fund of ₹ 10 each	4,15,29,107	4,766	4,15,29,107	4,349
		<b>8,136</b>		<b>7,455</b>
<b>d) Investment in Equity instruments</b>				
<b>Quoted</b>				
Cube Highway Trust INVIT of ₹ 100 each	6,00,000	612	-	-
		<b>612</b>		<b>-</b>
<b>Total Non-Current Investments</b>		<b>1,33,779</b>		<b>1,26,269</b>
Aggregate amount of quoted investments and market value thereof		69,938		78,609
Aggregate amount of unquoted investments.		63,841		47,660

## NOTE NO.6 OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Derivative Assets	13,147	6,926
Security Deposits	1,800	1,901
Bank deposits more than 12 month maturity		
In Margin	556	544
Fixed deposits (Current Year ₹ 5,097, Previous Year ₹ 5,097)	0	0
	<b>15,503</b>	<b>9,371</b>

## NOTE NO.7 INCOME TAX ASSETS(NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance Payments of Taxes and Tax deducted at source(Net of Provisions)	1,473	-
	<b>1,473</b>	<b>-</b>

## NOTE NO.8 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Capital Advances	27,573	28,516
(b) Others loans and advances		
VAT/Service Tax Receivable	66	108
Prepaid expenses	32	195
	<b>27,671</b>	<b>28,819</b>

## NOTE NO.9 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(At lower of Cost and Net Realisable Value)		
(a) Raw materials	52,252	85,371
(b) Work-in-Progress	17,272	15,230
(c) Finished Goods	44,709	42,446
(d) Stock-in-Trade	1,795	1,411
(e) Stores and Spares	10,016	13,266
(f) Others -Packing Materials and Fuel	1,008	1,511
	<b>1,27,052</b>	<b>1,59,235</b>



**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.10 INVESTMENTS (CURRENT)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
<b>A Investment at Cost</b>				
<b>Investment in Preference Shares</b>				
<b>Unquoted</b>				
(Fully paid up Shares)				
7.15 % Preference Shares of Tata Capital Ltd. of ₹ 1,000 each	2,00,000	2,000	-	-
		<b>2,000</b>		<b>-</b>
<b>B Investment carried at fair value through Profit and Loss</b>				
<b>Quoted</b>				
<b>a) Investment in Non Convertible Debenture /Market Link Debentures</b>				
Shriram Finance Limited. of ₹ 10,00,000 each	270	2,940	293	3,364
Shriram Finance Limited of ₹ 1,00,000 each	2,500	2,505	-	-
Muthoot Capital Services Limited of ₹ 10,00,000 each	1,000	1,129	-	-
Avanse Financial Services Limited of ₹ 10,00,000 each	150	1,608	-	-
Asirvad Microfinance Limited of ₹ 10,00,000 each	200	2,257	-	-
Belstar Microfinance Limited of ₹ 10,00,000 each	130	1,555	-	-
JM Financial Credit Solutions Limited of ₹ 10,00,000 each	50	502	-	-
Krazybee Services Private Limited of ₹ 1,00,000 each	1,200	1,199	-	-
Spandana Sphoorty Financial Limited of ₹ 1,00,000 each	1,000	988	-	-
Vivriti Capital Limited. of ₹ 10,00,000 each	100	1,095	-	-
Swatantra Microfin Pvt Limited of ₹ 4,37,500 each	-	-	200	874
REC Limited of ₹ 10,00,000 each	-	-	353	4,037
Fullerton India Credit Company Limited of ₹ 10,00,000 each	-	-	197	2,165
Tata International Limited of ₹ 10,00,000 each	-	-	100	1,003
S K Fincorp Limited of ₹ 5,00,000 each	229	1,149	-	-
S K Fincorp Limited of ₹ 10,00,000 each	150	1,753	-	-
Motilal Oswal Finvest Limited of ₹ 10,00,000 each	100	1,093	-	-
HDB Financial Services Limited of ₹ 10,00,000 each	150	1,515	-	-
MAS financial Limited of ₹ 1,00,000 each	100	1,118	150	1,616
		<b>22,406</b>		<b>13,059</b>
<b>Unquoted</b>				
Avenues Finance Pvt Limited of ₹ 10,00,000 each	100	1,009	250	2,899
		<b>1,009</b>		<b>2,899</b>
<b>Quoted</b>				
<b>b) Investment in Equity instruments</b>				
Music Broadcast Limited of ₹ 1 each	-	-	2,00,000	22
MindSpace Business Park REIT of ₹ 10 each	2,52,800	873	2,52,800	827
Nation Highways Infra Trust INVIT of ₹ 101 each	18,00,000	2,272	10,00,000	1,097
India Infrastructure Trust INVIT	10,00,000	920	10,00,000	920
Power Grid INVIT of ₹ 100 each	-	-	9,96,100	1,220
Nexus Select Trust REIT	9,93,510	1,269	-	-
India Grid Trust INVIT of ₹ 100 each	9,31,679	1,237	-	-
Bharat Highways INVIT of ₹ 100 each	16,15,922	1,778	-	-
NDR INVIT of ₹ 100 each	10,00,000	1,013	-	-
Intelligent Supply Chain Infrastructure Trust INVIT	22,00,000	2,239	-	-
		<b>11,601</b>		<b>4,086</b>
<b>c) In Mutual Fund</b>				
<b>Quoted</b>				
ICICI Mutual Fund ETF ICICI Nifty 50 of ₹ 10 each	1,78,544	439	1,78,544	337
Nippon India Mutual Fund ETF Nifty Bees of ₹ 1 each	59,24,021	14,630	57,62,412	10,940
Nippon India Mutual Fund ETF Silver Bees of ₹ 10 each	17,951	13	17,951	13
Nippon India Mutual Fund ETF Gold Bees of ₹ 1 each	54,29,531	3,074	50,56,531	2,582
ICICI Prudential Gold ETF of ₹ 1 each	9,17,000	536	-	-
Motilal Oswal Mutual Fund Nasdaq 100 ETF of ₹ 1 each	-	-	18,14,445	1,894
		<b>18,692</b>		<b>15,766</b>

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.10 INVESTMENTS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
<b>Unquoted</b>				
Aditya Birla Sun Life Liquid Fund of ₹ 100 each	-	-	2,79,030	1,013
Aditya Birla Sun Life Arbitrage Fund of ₹ 10 each	20,94,040	545	20,94,040	503
Axis Liquid Fund of ₹ 1,000 each	-	-	72,261	1,807
Axis Arbitrage Fund of ₹ 10 each	28,38,461	525	-	-
Motilal Oswal Nasdaq fund of fund 100 ETF of ₹ 10 each	-	-	2,96,141	66
HDFC Liquid Fund of ₹ 1,000 each	-	-	34,129	1,510
HDFC Arbitrage Fund of ₹ 10 each	73,95,878	1,358	-	-
ICICI Prudential Liquid Fund of ₹ 100 each	1,40,239	501	3,00,315	1,001
ICICI Prudential Gilt Fund of ₹ 10 each	6,37,519	633	6,37,519	579
ICICI Prudential Saving Fund of ₹ 100 each	-	-	1,09,030	504
ICICI Prudential PSU Equity Fund of ₹ 10 each	61,87,809	1,197	-	-
ICICI Prudential Multi Assets Fund of ₹ 100 each	3,54,013	2,450	-	-
ICICI Prudential Equity Saving Fund of ₹ 10 each	24,38,902	527	-	-
ICICI Prudential Pharma Healthcare and Diagnostic Fund of ₹ 10 each	15,42,657	497	-	-
ICICI Prudential Manufacturing Fund of ₹ 10 each	15,84,205	511	-	-
SBI Magnum Gilt Fund Long Term Plan of ₹ 1,000 each	2,66,96,984	16,854	2,66,96,984	15,422
SBI Magnum Liquid Fund of ₹ 1,000 each	-	-	14,390	507
SBI Magnum Income Fund of ₹ 10 each	19,56,921	1,342	19,56,921	1,237
SBI Arbitrage Fund of ₹ 10 each	35,81,994	1,173	-	-
SBI Banking & PSU Fund of ₹ 10 each	14,39,626	522	-	-
UTI Arbitrage Fund of ₹ 10 each	36,48,497	1,238	-	-
UTI Liquid Fund of ₹ 1,000 each	-	-	29,857	1,102
Tata Arbitrage Fund of ₹ 10 each	71,08,575	976	39,70,419	503
Tata Money Market Fund of ₹ 1,000 each	11,481	501	-	-
Mirae Assets Cash Management Fund of ₹ 1,000 each	-	-	21,050	500
Mirae Assets Arbitrage Fund of ₹ 10 each	83,67,782	1,029	-	-
Mirae Assets Ultra Short term Fund of ₹ 1,000 each	41,680	501	-	-
Invesco Arbitrage Fund of ₹ 10 each	67,35,197	2,113	17,43,495	505
Sundaram Liquid Fund of ₹ 1,000 each	-	-	35,306	702
Bajaj Finserv Liquid Fund of ₹ 1,000 each	47,580	501	-	-
Kotak Arbitrage Fund of ₹ 10 each	56,29,436	2,049	-	-
Kotak Money Market Fund of ₹ 1,000 each	24,334	1,003	-	-
Edelweiss Arbitrage Fund of ₹ 10 each	83,60,078	1,581	-	-
Bandhan Liquid Fund of ₹ 1,000 each	17,181	501	-	-
Nippon India Arbitrage Fund of ₹ 10 each	39,42,793	1,030	-	-
Nippon India Nivesh Lakshya Fund of ₹ 10 each	8,66,67,201	14,269	8,66,67,201	12,982
		<b>55,927</b>		<b>40,443</b>
<b>d) Investment in Alternate Investment Fund</b>				
<b>Unquoted</b>				
360 One India Housing Fund 3 of ₹ 10 each	2,00,74,517	2,534	-	-
		<b>2,534</b>		
<b>C Investment carried at amortised cost</b>				
<b>Quoted</b>				
<b>a) Investment in Perpetual Bond</b>				
11.03% Tata Motors Fin Limited Perpetual Bond of ₹ 10,00,000 each	-	-	20	201
8.70 % BOB Perpetual Bond of ₹ 10,00,000 each	700	6,999	-	-
9.10 % Tata International Perpetual Bond of ₹ 10,00,000 each	135	1,350	-	-
9.56 % SBI Perpetual Bond of ₹ 10,00,000 each	-	-	100	1,006
8.75 % SBI Perpetual Bond of ₹ 10,00,000 each	290	2,903	-	-
8.50 % SBI Perpetual Bond of ₹ 10,00,000 each	200	2,000	-	-
		<b>13,252</b>		<b>1,207</b>
<b>Unquoted</b>				
<b>b) Investment in Preferential share</b>				
7.50 % Preference Shares of Tata Capital Limited of ₹ 1,000 each	2,00,000	2,001	-	-
		<b>2,001</b>		

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.10 INVESTMENTS (CURRENT)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
<b>c) Investment in Commercial Paper</b>				
<b>Quoted</b>				
Motilal Oswal Finvest Limited of ₹ 5,00,000 each	600	2,985	-	-
		<b>2,985</b>		
<b>Unquoted</b>				
Aventus Finance Pvt Limited of ₹ 5,00,000 each	100	498	-	-
Nuvama Wealth Finance Limited of ₹ 5,00,000 each	400	1,994	-	-
		<b>2,492</b>		
<b>Total Current Investments</b>		<b>1,34,899</b>		<b>77,460</b>
Aggregate amount of quoted investments and Market value thereof		68,936		34,118
Aggregate amount of Unquoted investments		65,963		43,342

**NOTE NO.11 TRADE RECEIVABLES**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade receivable Considered good - Unsecured #	1,54,334	1,25,354
# Includes Receivable from Related parties (Refer Note no.43)	1,54,334	1,25,354

**NOTE NO.12 CASH AND CASH EQUIVALENTS**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks	4,715	3,043
Cash on hand	23	32
	<b>4,738</b>	<b>3,075</b>

**NOTE NO.13 OTHER BANK BALANCES**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unpaid Dividend	301	316
Margin Money ( Including Fixed Deposit) #	237	387
	<b>538</b>	<b>703</b>

#(Held against guarantee and other commitments)

**NOTE NO.14 LOANS**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured</b>		
<b>Loans and advances to other than related parties</b>		
Loans receivable - Considered good	-	-
Loans receivable which have significant increase in credit risk	1,242	1,292
Loans receivable - Credit impaired	-	-
	<b>1,242</b>	<b>1,292</b>
Less: Provision for loans which have significant increase in credit risk	1,242	1,292
	-	-
Loans and advances to employees (considered good)	675	379
	<b>675</b>	<b>379</b>

**NOTE NO.15 OTHER FINANCIAL ASSETS (CURRENT)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Derivative Assets	5,148	3,472
Interest accrued on Investments	1,322	1,356
Interest accrued on Deposits and Loans	94	56
Dividend/Income accrued on Investments	336	153
Security Deposit	55	96
	<b>6,955</b>	<b>5,133</b>

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.16 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance Payment to Suppliers	19,505	6,071
GST/Excise/Sales Tax/Custom Duty etc. Receivables	8,799	10,008
Prepaid Expenses	1,769	1,279
	<b>30,073</b>	<b>17,358</b>

## NOTE NO.17 SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Authorised :</b>		
44,50,00,000 Equity Shares of ₹ 2 each	8,900	8,900
20,00,000 Redeemable Preference Shares of ₹ 10 each	200	200
	<b>9,100</b>	<b>9,100</b>
<b>Issued Subscribed and fully paid up:</b>		
19,33,17,190 Equity Shares of ₹ 2 each fully paid up	3,866	3,866
	<b>3,866</b>	<b>3,866</b>

Terms/rights attached to equity shares:

All the Equity Shares have equal rights in respect of distribution of dividends and the repayment of capital.

Reconciliation of number of Equity shares outstanding at the beginning and end of the year :

Equity Share :	As at 31st March, 2024		As at 31st March, 2023	
	Number of Shares	Amount (₹ In Lakhs)	Number of Shares	Amount (₹ In Lakhs)
Balance at the beginning of the year	19,33,17,190	3,866	19,33,17,190	3,866
Balance at the end of the year	<b>19,33,17,190</b>	<b>3,866</b>	<b>19,33,17,190</b>	<b>3,866</b>

Shareholder's holding more than 5 % Shares in the Company

Name of Shareholders	As at 31st March, 2024		As at 31st March, 2023	
	Number of Shares	Holding (%)	Number of Shares	Holding (%)
VKP ENTERPRISES LLP	4,82,32,880	24.95	4,82,32,880	24.95
RAJIV A PODDAR	5,35,77,010	27.71	5,35,77,010	27.71

Shares held by the promoters and promoters group at the end of the year

Sr no	Name	No of shares	% of total shares	% Change during the year
1	Arvind M Poddar	1,000	0.00	-
2	Vijaylaxmi A Poddar	1,000	0.00	-
3	Rajiv A Poddar	5,35,77,010	27.71	-
4	Khushboo R Poddar	75,93,000	3.93	-
5	Shyamlat S Poddar	1,000	0.00	-
6	Rishab Poddar	27,90,180	1.44	-
7	TMP Enterprises LLP	4,93,360	0.26	-
8	VKP Enterprises LLP	4,82,32,880	24.95	-
9	RAP Enterprises LLP	250	0.00	-
10	AKP Enterprises LLP	250	0.00	-
11	Balgopal Holding & Traders Ltd	100	0.00	-
12	Poddar Brothers Investment Pvt Ltd	100	0.00	-
13	S P Investrade (India) Limited	70	0.00	-
	<b>Total</b>	<b>11,26,90,200</b>	<b>58.29</b>	

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.18 OTHER EQUITY**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>a. Other Reserve (General Reserve)</b>		
Opening Balance	4,80,000	4,40,000
Add: Transferred from Profit and Loss account	40,000	40,000
<b>Closing Balance</b>	<b>5,20,000</b>	<b>4,80,000</b>
<b>b. Retained Earnings</b>		
Opening Balance	2,79,071	2,42,130
Add: Net Profit for the current year	1,43,761	1,07,871
Less: Interim Dividend	23,198	23,198
Less: Tax on Interim Dividend	-	-
Less: Dividend on equity shares	7,732	7,732
Less: Tax on equity dividend	-	-
Less: Transfer to General Reserve	40,000	40,000
<b>Closing Balance</b>	<b>3,51,902</b>	<b>2,79,071</b>
<b>c. Remeasurement of the net defined benefit plans</b>		
Opening Balance	(1,481)	(1,456)
Movement during the year	(59)	(25)
<b>Closing Balance</b>	<b>(1,540)</b>	<b>(1,481)</b>
<b>d. Effective portion of cash flow hedges</b>		
Opening Balance	(2,542)	7,915
Movement during the year	14,507	(10,457)
<b>Closing Balance</b>	<b>11,965</b>	<b>(2,542)</b>
	<b>8,82,327</b>	<b>7,55,048</b>

**General reserve**

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

**Retained earnings**

Retained earnings includes the Company's cumulative earnings and losses respectively.

**Remeasurements of the net defined benefit Plans**

Remeasurements of defined benefit liability comprises actuarial gains and losses and return on plan assets (excluding interest income).

**Cash flow hedging reserve**

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale. For hedging foreign currency risk, the Company uses foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedge item affects profit/(loss) i.e., when the designated sale occurs.

**NOTE NO.19 BORROWINGS (NON-CURRENT)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured - At amortised cost</b>		
<b>Non Convertible Debentures</b>	15,000	50,000
Allotment of 5,000 rated, listed, unsecured, redeemable, non-convertible debentures of a face value of ₹ 10,00,000. The Interest rate coupon for the debenture is fixed @5.67% per annum for the entire tenure and will be payable semi-annually. In order to leverage the interest rate scenario and Euro receivable of the Company, the Company has swapped the Debentures liability to Euro fixed liability whereby the effective coupon for the Company will be 0.055% per annum. The repayment schedule will be in three instalment i.e ₹ 17,500 lakhs in April,2024, ₹ 17,500 lakhs in October,2024 and ₹ 15,000 lakhs in April,2025.		
<b>Deferred Payment Liabilities</b>	13	44
(Deferred Sales Tax under the scheme of Government of Maharashtra (Payable after ten years, from the date of respective loan, in five annual equal instalments)		
<b>Secured - At amortised cost</b>		
<b>External Commercial Borrowing</b>	54,131	53,765
External Commercial Borrowing of EURO 60 Million from SMBC (Singapore), the same is secured by first charge by way of hypothecation on all the movable assets of tyre plant of Bhuj, Gujarat. Rate of interest is 3 Months Euribor plus spread of 0.52%. The repayment is starting from December,2025 in six quarterly equal instalments of Euro 10 million each.		
	<b>69,144</b>	<b>1,03,809</b>

(Refer note no. 48 for details of securities provided)

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.20 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Distributors/Dealers Deposit	1	1
Derivative Liability	1,591	6,364
	1,592	6,365

## NOTE NO.21 PROVISIONS (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits		
Gratuity	2,556	2,211
Leave Encasement	472	434
	3,028	2,645

## NOTE NO.22 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Net Deferred tax liabilities	34,936	24,129
	34,936	24,129

## NOTE NO.23 OTHER NON CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred Income (Export Incentive)	7,519	6,259
	7,519	6,259

## NOTE NO.24 BORROWINGS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured</b>		
Non-convertible Debentures	35,000	-
From Banks	1,99,514	2,21,549
From Others		
Current maturity of long term debt	31	35
	2,34,545	2,21,584

## NOTE NO.24A LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities	-	4
	-	4

## NOTE NO.25 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade Payables (including Acceptances) due to:		
Total outstanding due of Micro and Small Enterprise	2,093	2,169
Total outstanding due of creditors Other than Micro and Small Enterprise	87,165	46,486
(Refer Note No. 44 for Micro and Small Enterprise)	89,258	48,655

## NOTE NO.26 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued but not due	405	275
Unpaid Dividend	301	316
Other Payable (capital creditors)	14,205	13,795
Derivative liabilities	715	7,431
	15,626	21,817

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.27 OTHER CURRENT LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Income received in advance	6,434	5,435
Security Deposit	5,723	5,128
Statutory dues	6,058	21,968
	<b>18,215</b>	<b>32,531</b>

**NOTE NO.28 PROVISIONS (CURRENT)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits		
Leave encashment	443	426
	<b>443</b>	<b>426</b>

**NOTE NO.28A CURRENT TAX LIABILITIES (NET)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Income Tax Liabilities (Net)	-	95
	-	<b>95</b>

**NOTE NO.29 REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Sale of Products	9,23,421	9,69,712
Other Operating Revenue:		
Export Incentives	2,858	7,067
Scrap Sales	3,462	3,383
Others	129	890
	<b>6,449</b>	<b>11,340</b>
<b>Total Revenue from Operations</b>	<b>9,29,870</b>	<b>9,81,052</b>
<b>DISAGGREGATION OF REVENUE</b>		
Revenue based on Geography		
Export	6,68,357	7,64,138
Domestic #	2,61,513	2,16,914
<b>Total Revenue from operations</b>	<b>9,29,870</b>	<b>9,81,052</b>
# ( Including export incentive)		
<b>Reconciliation of Revenue from operations with contract price</b>		
Contract Price	9,56,545	9,94,700
Less:		
Sales returns	2,221	829
Sales Incentives and Bonus	19,858	10,268
Others	4,596	2,551
	<b>26,675</b>	<b>13,648</b>
<b>Total Revenue from operations</b>	<b>9,29,870</b>	<b>9,81,052</b>

The amounts receivable from customers become due after expiry of credit period which on an average is less than 45 days. There is no significant financing component in any transaction with the customers.

The Company provides performance warranty for its products. The amount of liability towards such warranty is not material.

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.30 OTHER INCOME

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Interest Income on:		
Non Current Investments	3,564	3,518
Current Investments	548	26
Deposits/Loans and Advances/Income tax refund	627	97
	<b>4,739</b>	<b>3,641</b>
Net gain on foreign currency transaction and translation	17,286	22,428
Income from Non current Investment	1,200	1,199
Dividend Income on investments	676	404
Net gain on sale of Non-Current Investments	(17)	6,500
Net mark to market gain/(loss) on investments	17,188	(1,762)
Net gain on sale of Current Investments	1,979	505
Profit on sale of Property Plant and Equipment	954	179
Withdrawal of Provision of Doubtful Loan	50	210
Other non-operating income	719	475
	<b>44,774</b>	<b>33,779</b>

## NOTE NO.31 COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Raw Material Consumed	4,40,445	4,80,419
	<b>4,40,445</b>	<b>4,80,419</b>

## NOTE NO.32 PURCHASE OF STOCK IN TRADE

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Purchase of Traded Goods	11,683	10,438
	<b>11,683</b>	<b>10,438</b>

## NOTE NO.33 CHANGES IN INVENTORIES OF FINISHED GOODS,WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>Opening Stock :</b>		
Work-in-Progress	15,230	16,202
Stock in Trade	1,411	1,037
Finished Goods	42,446	46,567
	<b>59,087</b>	<b>63,806</b>
<b>Less :</b>		
<b>Closing Stock :</b>		
Work-in-Progress	17,272	15,230
Stock in Trade	1,795	1,411
Finished Goods	44,709	42,446
	<b>63,776</b>	<b>59,087</b>
Net (Increase)/Decrease in Inventories	<b>(4,689)</b>	<b>4,719</b>

## NOTE NO.34 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Salaries and wages	40,833	37,322
Contribution to provident and other funds	2,362	2,204
Staff welfare expenses	930	890
	<b>44,125</b>	<b>40,416</b>



**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.35 FINANCE COST\***

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Interest expenses	9,630	3,991
Other borrowing cost	260	234
Exchange difference regarded as an adjustment to borrowing cost	1,003	338
Interest on Lease Liability (₹ 15,936)	0	1
	<b>10,893</b>	<b>4,564</b>

\*Net of borrowing cost capitalised ₹ 2,254 Lakhs (Previous year ₹ 2,031 Lakhs).The rate used to determine the amount of borrowing cost eligible for capitalisation for current year and previous year was 9%.

**NOTE NO.36 DEPRECIATION AND AMORTISATION EXPENSE**

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Depreciation and amortisation	64,360	55,644
Depreciation of Right-of-use assets	18	19
	<b>64,378</b>	<b>55,663</b>

**NOTE NO.37 OTHER EXPENSES:**

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Consumption of stores and spare parts	30,145	22,981
Packing material consumed	2,231	2,088
Power and fuel(Net)	30,475	33,917
Freight and forwarding	49,652	1,09,738
Labour/Job Charges	20,408	19,987
Water charges	1,027	939
Repairs and Maintenance to Plant & Machinery	4,103	1,712
Repairs and Maintenance to Building	4,416	4,519
Repairs and Maintenance to Others	1,809	1,306
Insurance Charges	3,055	2,666
Rates and Taxes excluding taxes on income	6,293	10,018
Rent	511	513
Legal and Professional charges	5,469	3,849
Advertisement, Publicity, Sales Promotion and Marketing Service expenses	49,323	49,758
Commission	563	521
Travelling Expenses	2,261	2,590
Directors Meeting Fees	54	29
Property plant and equipment Discarded	17	470
Interest to Others	58	28
Contribution towards CSR expenses	3,133	2,878
Investment written off	-	72
Miscellaneous expenses	2,897	2,917
	<b>2,17,900</b>	<b>2,73,496</b>

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.38

## i) Tax Reconciliation

## (a) The Income tax expense consists of the followings:

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Current income tax	40,200	34,457
Short/(Excess) provision of earlier year	-	225
Deferred tax expense	5,948	2,563
<b>Tax expense for the year</b>	<b>46,148</b>	<b>37,245</b>

## (b) Amounts recognised in other comprehensive income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2024			Year ended 31st March, 2023		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
a) Items that will not be reclassified to profit or loss						
Remeasurement of post employment benefit obligations	(79)	20	(59)	(34)	8	(26)
b) Items that will be reclassified to profit or loss						
Effective portion of Cash flow Hedges	19,387	(4,879)	14,508	(13,973)	3,516	(10,457)
	<b>19,308</b>	<b>(4,859)</b>	<b>14,449</b>	<b>(14,007)</b>	<b>3,524</b>	<b>(10,483)</b>

The reconciliation of estimated income tax expenses at statutory income tax rate to income tax expense reported in statement of Profit and loss is as follows:

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Profit before tax	1,89,909	1,45,116
Indian statutory income tax rate (%)	25.168%	25.168%
Expected income tax expenses	47,796	36,523
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expenses:-</b>		
Income exempt from income tax	(223)	(371)
Deduction under Income Tax Act.	(132)	(103)
Impact of differential tax rate	(1,758)	(831)
Permanent differences	436	1,618
Investment Written off	-	18
Others- Income tax of earlier year	29	391
<b>Total Income Tax expenses</b>	<b>46,148</b>	<b>37,245</b>
<b>Effective Tax Rate</b>	<b>24.300%</b>	<b>25.666%</b>

## ii) Deferred Tax Disclosure

## (a) Movement in deferred tax balances

(₹ in Lakhs)

Particulars	As at 31st March, 2024			As at 31st March, 2024 Net Deferred tax assets/ (liabilities)
	Net balance 1st April, 2023	Recognised in profit or loss	Recognised in OCI	
<b>Deferred tax assets/(liabilities)</b>				
Property, plant and equipment	(19,550)	(2,912)	-	(22,462)
Investments	(2,894)	(2,578)	-	(5,472)
Employee benefits	902	81	20	1,003
Cash Flow Hedge	854	-	(4,879)	(4,025)
Provision for Doubtful Advances	327	(12)	-	315
Others (Net)	(3,768)	(527)	-	(4,295)
<b>Deferred tax assets/(liabilities)</b>	<b>(24,129)</b>	<b>(5,948)</b>	<b>(4,859)</b>	<b>(34,936)</b>

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**
**(b) Movement in deferred tax balances**

(₹ in Lakhs)

Particulars				As at 31st March, 2023
	Net balance 1st April, 2022	Recognised in profit or loss	Recognised in OCI	Net Deferred tax assets / (liabilities)
<b>Deferred tax assets/(liabilities)</b>				
Property, plant and equipment	(17,731)	(1,819)	-	(19,550)
Investments	(3,203)	309	-	(2,894)
Employee benefits	845	49	8	902
Cash Flow Hedge	(2,662)	-	3,516	854
Provision for Doubtful Advances	379	(52)	-	327
Others (Net)	(2,719)	(1,049)	-	(3,768)
<b>Deferred tax assets/(liabilities)</b>	<b>(25,091)</b>	<b>(2,563)</b>	<b>3,524</b>	<b>(24,129)</b>

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

**NOTE NO.39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT**
**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in Lakhs)

Particulars	As at 31st March, 2024							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets:</b>								
Cash and cash equivalents (Including other bank balances)	-	-	5,276	5,276	-	-	-	-
Mutual Fund	1,20,888	-	-	1,20,888	56,825	64,063	-	1,20,888
Debentures	34,122	-	-	34,122	28,783	5,339	-	34,122
Equities	12,213	-	-	12,213	12,213	-	-	12,213
Loans	-	-	675	675	-	-	-	-
Trade receivables	-	-	1,54,334	1,54,334	-	-	-	-
Other financial assets	-	-	2,308	2,308	-	-	-	-
Foreign exchange forward contracts	-	18,295	-	18,295	-	18,295	-	18,295
Preference shares, bonds and commercial papers	-	-	45,546	45,546	-	-	-	-
Alternate Investment Fund	38,545	-	-	38,545	-	38,545	-	38,545
Security deposit	-	-	1,855	1,855	-	-	-	-
<b>TOTAL</b>	<b>2,05,768</b>	<b>18,295</b>	<b>2,09,994</b>	<b>4,34,057</b>	<b>97,821</b>	<b>1,26,242</b>	<b>-</b>	<b>2,24,063</b>
<b>Financial Liabilities:</b>								
Long term borrowings (Including current maturity of Long term borrowings)	-	-	1,04,175	1,04,175	-	-	-	-
Other financial liabilities	-	-	14,912	14,912	-	-	-	-
Short term borrowings	-	-	1,99,514	1,99,514	-	-	-	-
Trade payables	-	-	89,258	89,258	-	-	-	-
Foreign exchange forward contracts	-	2,306	-	2,306	-	2,306	-	2,306
<b>TOTAL</b>	<b>-</b>	<b>2,306</b>	<b>4,07,859</b>	<b>4,10,165</b>	<b>-</b>	<b>2,306</b>	<b>-</b>	<b>2,306</b>

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

(₹ in Lakhs)

Particulars	As at 31st March, 2023							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets:</b>								
Cash and cash equivalents (Including other bank balances)	-	-	3,778	3,778	-	-	-	-
Mutual Fund	98,780	-	-	98,780	50,882	47,898	-	98,780
Debentures	24,139	-	-	24,139	21,240	2,899	-	24,139
Equities	4,086	-	-	4,086	4,086	-	-	4,086
Loans	-	-	379	379	-	-	-	-
Trade receivables	-	-	1,25,354	1,25,354	-	-	-	-
Other financial assets	-	-	2,109	2,109	-	-	-	-
Foreign exchange forward contracts	-	10,398	-	10,398	-	10,398	-	10,398
Preference shares and bonds	-	-	38,525	38,525	-	-	-	-
Alternate Investment Fund	28,347	-	-	28,347	-	28,347	-	28,347
Security deposit	-	-	1,997	1,997	-	-	-	-
<b>TOTAL</b>	<b>1,55,352</b>	<b>10,398</b>	<b>1,72,142</b>	<b>3,37,892</b>	<b>76,208</b>	<b>89,542</b>	<b>-</b>	<b>1,65,750</b>
<b>Financial Liabilities:</b>								
Long term borrowings (Including current maturity of Long term borrowings)	-	-	1,03,844	1,03,844	-	-	-	-
Other financial liabilities	-	-	14,391	14,391	-	-	-	-
Short term borrowings	-	-	2,21,549	2,21,549	-	-	-	-
Trade payables	-	-	48,655	48,655	-	-	-	-
Foreign exchange forward contracts	-	13,795	-	13,795	-	13,795	-	13,795
<b>TOTAL</b>	<b>-</b>	<b>13,795</b>	<b>3,88,439</b>	<b>4,02,234</b>	<b>-</b>	<b>13,795</b>	<b>-</b>	<b>13,795</b>

Fair values for financial instruments carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

**B. Measurement of fair values**

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Transfers between Levels**

There have been no transfers between Levels during the reporting periods

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
<b>Level: 2</b>			
Forward contracts	Market valuation techniques: The Company has used discounted mark to market of forward contracts using current forward rates for remaining tenure of the forward contract as provided by respective banks.	Not applicable	Not applicable
Alternate Investment Fund	Net Asset value	Not applicable	Not applicable
<b>Level: 1 and Level: 2</b>			
Mutual Fund/Debentures	Net Asset value	Not applicable	Not applicable

**C. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

**i. Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The board of directors is responsible for developing and monitoring the Company risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**ii. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities, cash and cash equivalents, mutual funds, bonds etc.

The carrying amount of financial assets represents the maximum credit exposure.

**Trade receivables**

Around 72% of the sales are export sales. For major part of the sales, customer credit risk is managed by requiring domestic and export customers to pay advances before transfer of ownership, therefore substantially eliminating the Company's credit risk in this respect.

Based on prior experience and an assessment of the current economic environment, management believes that no provision is required for credit risk wherever credit is extended to customers.

**Impairment**

Provision for doubtful debts movement	(₹ in Lakhs)
<b>Balance as at 1st April, 2022</b>	-
Impairment loss recognised	2
Amounts written off	2
<b>Balance as at 31st March, 2023</b>	-
Impairment loss recognised	100
Amounts written off	100
<b>Balance as at 31st March, 2024</b>	-

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

### Concentration of credit risk

At 31st March, 2024, the carrying amount of the Company's most significant customer is ₹ 44,185 lakhs (Previous Year: ₹ 50,931 lakhs)

### Loans to others

The credit worthiness of the counter party is evaluated by the management on an ongoing basis and necessary provisions are made wherever needed. The Company had made the provision for doubtful loans in earlier years of ₹ 1,650 lakhs. Till 31st March, 2024 the Company had recovered ₹ 408 lakhs against this doubtful loan and as such the provision for such doubtful loan is reduced to ₹ 1,242 lakhs as on 31st March, 2024. The Company has no collateral in respect of said loan.

### Investment in debentures and preference shares

The Company does not perceive any risk as these are issued by reputed financial institution.

### Investment in mutual funds and bonds

The investment in mutual funds and Government bonds are entered into with credit worthy fund houses, Government of India and financial institution. The credit worthiness of these counter parties are evaluated by the management on an ongoing basis and is considered to be good. The Company does not expect any losses from non-performance by these counter-parties.

### Derivatives

The derivatives are entered into with the banks, with good credit ratings.

### Cash and cash equivalents

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the company's policy. Investment in surplus funds are made mainly in Bonds and mutual funds with good returns and within approved credit ratings.

### iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

As at 31st March, 2024, the Company had working capital of ₹ 1,01,177 lakhs, including cash and cash equivalents of ₹ 4,738 lakhs and highly marketable current investments of ₹ 1,34,899 lakhs.

As at 31st March, 2023, the Company had working capital of ₹ 63,585 lakhs, including cash and cash equivalents of ₹ 3,075 lakhs and highly marketable current investments of ₹ 77,460 lakhs.

### Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

\* all non derivative financial liabilities

\* net and gross settled derivative financial instruments for which the contractual maturities are essential for the understanding of the timing of the cash flows.

(₹ in Lakhs)

As at 31st March,2024	Contractual cash flows					
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
<b>Non Current</b>						
Secured Long term loans and borrowings	54,131	54,131	-	18,044	36,087	-
Unsecured Long term loans and borrowings	50,044	50,044	35,031	15,013	-	-
Other financial liabilities	1	1	-	-	1	-
<b>Current</b>						
Unsecured Short term loans and borrowings	1,99,514	1,99,514	1,99,514	-	-	-
Trade and Other payable	89,258	89,258	89,258	-	-	-
Other payable (Capital creditors)	14,205	14,205	14,205	-	-	-
Unpaid Dividend	301	301	301	-	-	-
Interest accrued but not due	405	405	405	-	-	-

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**

(₹ in Lakhs)

As at 31st March,2024	Contractual cash flows					
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Financial / corporate guarantee in respect of loan taken by subsidiary *	-	6,284	6,284	-	-	-
<b>Derivative financial liabilities</b>						
<b>Non Current</b>						
Foreign exchange forward contract	1,591	1,591	-	682	909	-
<b>Current</b>						
Foreign exchange forward contract	715	715	715	-	-	-

(₹ in Lakhs)

As at 31st March,2023	Contractual cash flows					
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
<b>Non current</b>						
Secured Long term loans and borrowings	53,765	53,765	-	-	53,765	-
Unsecured Long term loans and borrowings	50,079	50,079	35	35,031	15,013	-
Other financial liabilities	1	1	-	-	1	-
<b>Current</b>						
Unsecured Short term loans and borrowings	2,21,549	2,21,549	2,21,549	-	-	-
Trade and Other payable	48,655	48,655	48,655	-	-	-
Other payable (Capital creditors)	13,795	13,795	13,795	-	-	-
Unpaid Dividend	316	316	316	-	-	-
Interest accrued but not due	275	275	275	-	-	-
Financial / corporate guarantee in respect of loan taken by subsidiary *	-	9,172	9,172	-	-	-
<b>Derivative financial liabilities</b>						
<b>Non Current</b>						
Foreign exchange forward contract	6,364	6,364	-	2,101	4,263	-
<b>Current</b>						
Foreign exchange forward contract	7,431	7,431	7,431	-	-	-

\*Guarantees issued by the company on behalf of subsidiaries are with respect to borrowings raised by the respective entities. These amounts will be payable on default by the concerned entity. As of the reporting date, none of the subsidiaries have defaulted and hence, the company does not have any present obligation to third parties in relation to such guarantees.

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

**iv. Market risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

**a) Currency risk**

The company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchase, other expenses and borrowings are denominated and the functional currency of the company. The functional currency of the company is Indian Rupees (₹). The currencies in which these transactions are primarily denominated are EURO and USD.

At any point in time, the Company generally hedges its estimated foreign currency exposure in respect of forecast sales over the forthcoming financial years in advance. The Company primarily uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges.

The Company, as per its risk management policy, uses foreign exchange forward contracts and derivatives to hedge foreign exchange. The Company does not use derivative financial instruments for trading or speculative purposes.

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

Following is the derivative financial instruments to hedge the foreign exchange rate risk as at 31st March, 2024

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of highly probable forecasted sales transactions	Forward contract	USD	INR	308 million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	INR	233 million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	USD	284 million	Sell
Hedges of highly probable forecasted purchases transactions	Forward contract	USD	INR	51 million	Buy
Cross currency swap	Currency swap	INR	EUR	57 million	*
Derivative	Derivative	EUR	USD	57 million	Buy
Derivative	Derivative	EUR	INR	30 million	Sell
Derivative	Derivative	USD	INR	88 million	Sell

\*NCD liability of ₹ 500 Crores has been swapped to Euro - equivalent to 57 million Euros

Following is the derivative financial instruments to hedge the foreign exchange rate risk as at 31st March, 2023:

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of highly probable forecasted sales transactions	Forward contract	USD	INR	381 million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	INR	306 million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	USD	222 million	Sell
Hedges of highly probable forecasted purchases transactions	Forward contract	USD	INR	36 million	Buy
Cross currency swap	Currency swap	INR	EUR	57 million	*
Derivative	Derivative	EUR	USD	57 million	Buy

\*NCD liability of ₹ 500 Crores has been swapped to Euro - equivalent to 57 million Euros

## Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows: (₹ in Lakhs)

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	EUR	USD	Others	EUR	USD	Others
<b>Financial assets (A)</b>						
Trade receivables	75,056	48,305	-	62,211	40,463	-
Cash and Cash Equivalents	2,775	1,526	8	1,287	932	7
<b>Total (A)</b>	<b>77,831</b>	<b>49,831</b>	<b>8</b>	<b>63,498</b>	<b>41,395</b>	<b>7</b>
<b>Financial liabilities (B)</b>						
Secured Loans	54,131	-	-	53,765	-	-
Unsecured Loans	2,41,152	-	-	2,47,621	-	-
Interest on loans	405	-	-	275	-	-
Trade payables	17,680	8,251	186	7,854	5,604	582
Other - Capital Creditor	869	8,510	-	1,303	4,994	-
<b>Total (B)</b>	<b>3,14,237</b>	<b>16,761</b>	<b>186</b>	<b>3,10,818</b>	<b>10,598</b>	<b>582</b>
<b>Net statement of financial position exposure (A-B)</b>	<b>(2,36,406)</b>	<b>33,070</b>	<b>(178)</b>	<b>(2,47,320)</b>	<b>30,797</b>	<b>(575)</b>



## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

### Sensitivity analysis

The strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant. The following analysis has been worked out based on the exposures as of the Balance Sheet date.

(₹ in Lakhs)

31st March, 2024	Profit / (loss)		
	Strengthening / Weakening %	Strengthening	Weakening
EUR	2%	(4,728)	4,728
USD	3%	992	(992)
Others	10%	(18)	18

(₹ in Lakhs)

31st March, 2023	Profit / (loss)		
	Strengthening / Weakening %	Strengthening	Weakening
EUR	2%	(4,946)	4,946
USD	3%	924	(924)
Others	10%	(57)	57

(Note: The impact is indicated on the profit/(loss) and equity before tax basis)

### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates.

For details of the Company's borrowings, including interest rate profiles, refer to Note 48 of these financial statements.

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Fixed-rate instruments</b>		
Financial assets	56,469	37,450
Financial liabilities	(1,97,037)	(2,30,330)
	<b>(1,40,568)</b>	<b>(1,92,880)</b>
<b>Variable-rate instruments</b>		
Financial liabilities	(1,06,609)	(94,984)
	<b>(1,06,609)</b>	<b>(94,984)</b>

### Interest rate sensitivity - fixed rate instruments

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

### Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analyses assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(₹ in Lakhs)

Particulars	Profit / (loss)	
	100 bps increase	100 bps decrease
<b>As at 31st March, 2024</b>		
Variable-rate instruments	(1,066)	1,066
<b>Sensitivity (net)</b>	<b>(1,066)</b>	<b>1,066</b>
<b>As at 31st March, 2023</b>		
Variable-rate instruments	(950)	950
<b>Sensitivity (net)</b>	<b>(950)</b>	<b>950</b>

(Note: The impact is indicated on the profit/(loss) and equity before tax basis)

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

## Offsetting financial assets and financial liabilities

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31st March, 2024 and 31st March, 2023. The column 'net amount' shows the impact on the company's balance sheet if all set-off rights were exercised. (₹ in Lakhs)

Particulars	Effects of offsetting on the balance sheet			Related amounts and offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
<b>As at 31st March, 2024</b>						
<b>Financial assets</b>						
Derivative financial instruments	18,295	-	18,295	18,295	-	18,295
<b>Total</b>	<b>18,295</b>	<b>-</b>	<b>18,295</b>	<b>18,295</b>	<b>-</b>	<b>18,295</b>
<b>Financial liabilities</b>						
Derivative financial instruments	2,306	-	2,306	2,306	-	2,306
<b>Total</b>	<b>2,306</b>	<b>-</b>	<b>2,306</b>	<b>2,306</b>	<b>-</b>	<b>2,306</b>
<b>As at 31st March, 2023</b>						
<b>Financial assets</b>						
Derivative financial instruments	10,398	-	10,398	10,398	-	10,398
<b>Total</b>	<b>10,398</b>	<b>-</b>	<b>10,398</b>	<b>10,398</b>	<b>-</b>	<b>10,398</b>
<b>Financial liabilities</b>						
Derivative financial instruments	13,795	-	13,795	13,795	-	13,795
<b>Total</b>	<b>13,795</b>	<b>-</b>	<b>13,795</b>	<b>13,795</b>	<b>-</b>	<b>13,795</b>

## NOTE NO.40 HEDGE ACCOUNTING

As part of its risk management strategy, the company endeavours to hedge its net foreign currency exposure of highly forecasted sale transactions for the forthcoming financial years in advance. The company uses forward contracts to hedge its currency exposure. Such contracts are designated as cash flow hedges.

The forward contracts are generally denominated in the same currency in which the sales realization is likely to take place.

For derivative contracts designated as hedge, the Company documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness.

Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge.

The Company applies cash flow hedge accounting to hedge the variability in the future cash flows attributable to foreign exchange risk.

Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Company assesses hedge effectiveness both on prospective and retrospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective on offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship. On the other hand, the retrospective hedge effectiveness test is a backward-looking evaluation of whether the changes in the fair value or cash flows of the hedging position have been highly effective in offsetting changes in the fair value or cash flows of the hedged position since the date of designation of the hedge.

Hedge effectiveness is assessed through the application of critical terms match method. Any ineffectiveness in a hedging relationship is accounted for in the statement of profit and loss.

The company has formally designated and documented hedge relationship from 1st April, 2016.

## Disclosure of effects of hedge accounting on financial position

## As at 31st March, 2024

Type of risk/ hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
Forward contract	Foreign currency risk of highly probable forecast transactions using forward contracts	Mitigate the impact of fluctuations in foreign exchange rates	Currency forward	Company enters into a forward derivative contract to hedge the foreign currency risk of highly probable forecast transactions using forward contracts  These are customized contracts transacted in the over-the-counter market.	Cash flow hedge

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

As at 31st March, 2024

Particulars	Notional principal amounts	Derivative Financial Instruments - Assets (₹ in Lakhs)	Derivative Financial Instruments - Liabilities (₹ in Lakhs)	Line item in Balance Sheet position where the hedging instrument is included	Maturity date	Average strike price/rate
Foreign exchange forward contracts	517 Million EUR 308 Million USD	14,108	1,876	Nil	FY 2024-25 to FY 2028-29	1 EUR = INR 96.2154 1 USD = INR 86.8770
Cross Currency swap	57 Million EUR	201	-	Nil	FY 2024-25 to FY 2025-26	1 EUR = INR 87.0235
Derivative	30 Million EUR 88 Million USD	46	-	Nil	FY 2024-25 to FY 2028-29	1 EUR = INR 95.8500 1 USD = INR 87.5075
Derivative	57 Million EUR	3,932	-	Nil	FY 2024-25 to FY 2025-26	1 EUR = 1 USD
Foreign exchange forward contracts	51 Million USD	7	348	Nil	FY 2024-25 to FY 2025-26	1 USD = INR 84.7848

Particulars	Change in fair value for the year	Change in fair value for the year recognized in OCI (₹ in Lakhs)	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Foreign exchange forward contracts	FY 2023-24	19,223	Nil	Not applicable	Nil	Not applicable
Cross Currency swap	FY 2023-24	(881)	Nil	Not applicable	Nil	Not applicable
Derivative	FY 2023-24	(35)	Nil	Not applicable	Nil	Not applicable
Derivative	FY 2023-24	1,336	Nil	Not applicable	Nil	Not applicable
Foreign exchange forward contracts	FY 2023-24	(256)	Nil	Not applicable	Nil	Not applicable

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting: (₹ in Lakhs)

Particulars	Movement in Cash flow hedge reserve	
	As at 31st March, 2024	As at 31st March, 2023
Opening balance	(2,542)	7,915
<b>Effective portion of changes in fair value:</b>		
Foreign currency risk	19,387	(13,973)
<b>Net amount reclassified to profit or loss:</b>		
Foreign currency risk	-	-
Tax on movements on reserves during the year	(4,879)	3,516
<b>Closing balance</b>	<b>11,965</b>	<b>(2,542)</b>

### NOTE NO.41 CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'net debt' to 'equity'. For this purpose, net debt is defined as total debt, comprising interest-bearing loans and borrowings less cash and cash equivalents and current investments.

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

The Company's net debt to equity ratio / gearing ratio was as follows.

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-Current Borrowings	69,131	1,03,765
Current Borrowings	2,34,545	2,21,584
Current maturity of long term debt	(31)	(35)
<b>Gross Debt</b>	<b>3,03,645</b>	<b>3,25,314</b>
Less - Cash and Cash Equivalents	4,738	3,075
Less - Current Investments	1,34,899	77,460
<b>Net debt</b>	<b>1,64,008</b>	<b>2,44,779</b>
Total equity	8,86,193	7,58,914
Add/(Less) : Hedging reserve	(11,965)	2,542
<b>Equity</b>	<b>8,74,228</b>	<b>7,61,456</b>
<b>Net Debt to Equity Ratio / Gearing Ratio</b>	<b>19%</b>	<b>32%</b>

## NOTE NO.42 EARNING PER SHARE (EPS)

Basic EPS and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Profit attributable to equity holders (₹ in lakhs)	1,43,761	1,07,871
Weighted average number of shares outstanding during the year	19,33,17,190	19,33,17,190
Nominal Value of Equity Shares (in ₹)	2	2
<b>Earning Per Share Basic and Diluted (in ₹)</b>	<b>74.37</b>	<b>55.80</b>

## NOTE NO.43 RELATED PARTY DISCLOSURES \*

## I) Related Party Relationships

(Where transactions have taken place)

## a) Key Management Personnel (KMP)

Mr. Arvind Poddar - Chairman & Managing Director, Mr. Rajiv Poddar - Joint Managing Director, Mr. Vipul Shah - Director & Company Secretary, Mr. Madhusudan Bajaj- Sr. President (Commercial) & CFO.

## b) Relatives of Key Management Personnel :

Mrs.Vijaylaxmi Poddar, Mrs. Khushboo Poddar, Mrs. Pooja Dhoot

## c) Other Related Parties -(Enterprises-KMP having significant influence/owned by major shareholders):Clothing Culture Pvt. Ltd.

The company has following subsidiary companies:

Name of subsidiary companies:	% of Holding
BKT Tyres Limited <sup>#</sup>	100% holding of Balkrishna Industries Limited
BKT EUROPE S.R.L.	100% holding of Balkrishna Industries Limited
BKT USA INC.	100% holding of Balkrishna Industries Limited
BKT EXIM US INC. (upto 21.06.2023) <sup>@</sup>	100% holding of Balkrishna Industries Limited
BKT TIRES INC. (w.e.f 22.06.2023) <sup>@@</sup>	100% holding of Balkrishna Industries Limited
BKT TIRES (CANADA) INC.	100% holding of Balkrishna Industries Limited
<b>Step down Subsidiary</b>	
BKT TIRES INC.(upto 20.06.2023) <sup>@</sup>	100% holding of BKT EXIM US, INC.

<sup>@</sup>w.e.f 21.06.2023 BKT Tires INC has merged with BKT EXIM US INC

<sup>@@</sup> w.e.f 22.06.2023 name of BKT EXIM US INC was changed to BKT Tires INC

<sup>#</sup>The Board of Directors of Holding Company has approved the Scheme of Amalgamation of BKT Tyres Limited (wholly-owned subsidiary) with the Holding Company. The appointed date of the Scheme is 1st April, 2024 .The Scheme is subject to necessary statutory and regulatory approvals, including sanction by the Hon'ble National Company Law Tribunal under Section 230 and 232 of the Companies Act,2013.

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**
**II Related Party Transactions \$**

(₹ in Lakhs)

Transactions	Year ended 31st March, 2024			Year ended 31st March, 2023		
	Relatives of (KMP)	Other related Party	Subsidiaries	Relatives of (KMP)	Other related Party	Subsidiaries
Purchase of Goods/ Materials	-	22	-	-	30	-
Rent received	-	72	-	-	72	-
Recovery of Expenses Other related Party ₹ 36,380 (Previous Year ₹1,994)	-	0	-	-	0	-
Sale of Assets	-	2	-	-	-	-
Rent Paid	372	-	-	372	-	-
Maintenance expenses	14	-	-	14	-	-
Remuneration	39	-	-	28	-	-
Meeting Fees	6	-	-	4	-	-
Advance Received against Sale of Investment Property	198	-	-	-	-	-
Marketing Service Expenses	-	-	34,105	-	-	34,703
Guarantee Commission Received	-	-	72	-	-	52
Sale of goods/Materials	-	-	23,045	-	-	37,052
Guarantee given to Bank on behalf of subsidiary	-	-	6,284	-	-	9,172
Finance charges recover against Guarantee Commission	-	-	8	-	-	8
Inter Corporate Deposit Loan Given	-	-	50	-	-	-
Inter Corporate Deposit Loan Received Back	-	-	50	-	-	-
Interest Received on ICD ₹ 21,918	-	-	0	-	-	-
Investment in Subsidiary	-	-	55	-	-	-
Dividend Received	-	-	155	-	-	-

(₹ in Lakhs)

Outstanding Balances	Key Management Personnel		Relatives of (KMP)		Subsidiaries		Other related Party	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Remuneration payable	7,354	6,607	-	1	-	-	-	-
Trade Receivables	-	-	-	-	14,437	17,753	-	-
Trade Payables	-	-	-	-	588	698	-	-
Income received in advance	-	-	198	-	-	-	-	-

**III Key management personnel compensation**

Key management personnel compensation comprised the following :

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Remuneration	8,679	7,888
Recovery of Expenses- ₹ 17,571 ( Previous Year ₹ 3,712)	0	0

Disclosure in Respect of Related Party Transaction during the year :

(₹ in Lakhs)

Transactions	Year ended 31st March, 2024			Year ended 31st March, 2023		
	Relatives of (KMP)	Other related Party	Subsidiaries	Relatives of (KMP)	Other related Party	Subsidiaries
<b>Purchase of Goods/ Materials</b>						
Clothing Culture Pvt. Ltd	-	22	-	-	30	-
<b>Rent received</b>						
Clothing Culture Pvt. Ltd	-	72	-	-	72	-
<b>Recovery of Expenses</b>						
Clothing Culture Pvt. Ltd -Other related Party ₹ 36,380 (Previous Year ₹ 1,994)	-	0	-	-	0	-
<b>Sale of Assets</b>						
Clothing Culture Pvt. Ltd	-	2	-	-	-	-
<b>Rent Paid</b>						

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

(₹ in Lakhs)

Transactions	Year ended 31st March, 2024			Year ended 31st March, 2023		
	Relatives of (KMP)	Other related Party	Subsidiaries	Relatives of (KMP)	Other related Party	Subsidiaries
Mrs. Pooja Dhoot	167	-	-	167	-	-
Mrs. Khushboo Poddar	205	-	-	205	-	-
<b>Maintenance Expenses</b>						
Mrs. Pooja Dhoot	6	-	-	6	-	-
Mrs. Khushboo Poddar	8	-	-	8	-	-
<b>Advance Received against Sale of Investment property</b>						
Mrs. Pooja Dhoot	198	-	-	-	-	-
<b>Meeting Fees</b>						
Mrs. Vijaylaxmi Poddar	6	-	-	4	-	-
<b>Remuneration</b>						
Mrs. Khushboo Poddar	39	-	-	28	-	-
<b>Marketing Service Expenses</b>						
BKT EUROPE S.R.L.	-	-	27,105	-	-	27,118
BKT(USA)INC	-	-	5,448	-	-	5,443
BKT TIRES (CANADA) INC.	-	-	1,552	-	-	1,374
BKT TIRES INC. (upto 20.06.2023 step-down subsidiary)	-	-	-	-	-	769
<b>Sales of Goods/ Materials</b>						
BKT EUROPE S.R.L.	-	-	14,507	-	-	13,990
BKT TIRES INC. (upto 20.06.2023 step-down subsidiary)	-	-	2,142	-	-	23,062
BKT TIRES INC. (w.e.f 22.06.2023 subsidiary)	-	-	6,396	-	-	-
<b>Guarantee Commission Received</b>						
BKT EUROPE S.R.L.	-	-	38	-	-	27
BKT TIRES INC. (w.e.f 22.06.2023 subsidiary)	-	-	34	-	-	-
BKT EXIM US, INC (upto 21.06.2023 subsidiary)	-	-	-	-	-	25
<b>Guarantee given to Bank on behalf of subsidiaries</b>						
BKT EUROPE S.R.L.	-	-	2,699	-	-	5,143
BKT TIRES INC. (w.e.f 22.06.2023 subsidiary)	-	-	3,585	-	-	-
BKT EXIM US, INC (upto 21.06.2023 subsidiary)	-	-	-	-	-	4,029
<b>Finance charges recovered against Guarantee Commission</b>						
BKT EUROPE S.R.L.	-	-	3	-	-	3
BKT TIRES INC. (w.e.f 22.06.2023 subsidiary)	-	-	5	-	-	-
BKT EXIM US, INC (upto 21.06.2023 subsidiary)	-	-	-	-	-	5
<b>Inter Corporate Deposit Loan Given</b>						
BKT TYRES LTD	-	-	50	-	-	-
<b>Inter Corporate Deposit Loan Received Back</b>						
BKT TYRES LTD	-	-	50	-	-	-
<b>Interest Recived on ICD</b>						
BKT TYRES LTD ₹ 21,918	-	-	0	-	-	-
<b>Investment in Subsidiary</b>						
BKT TYRES LTD	-	-	55	-	-	-
<b>Dividend Received</b>						
BKT TIRES (CANADA) INC.	-	-	155	-	-	-

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**

(₹ in Lakhs)

Particulars	KMP		Relatives of (KMP)		Subsidiaries		Other related Party	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
<b>Remuneration payable**</b>								
Mr. Arvind M Poddar	3,675	3,300	-	-	-	-	-	-
Mr. Rajiv A Poddar	3,675	3,300	-	-	-	-	-	-
Mr. Vipul Shah	3	3	-	-	-	-	-	-
Mr. Madhusudan Bajaj	1	4	-	-	-	-	-	-
Mrs. Khushboo Poddar	-	-	-	1	-	-	-	-
<b>Trade Receivables</b>								
BKT EUROPE S.R.L.	-	-	-	-	10,503	9,621	-	-
BKT TIRES INC. (w.e.f 22.06.2023 subsidiary)	-	-	-	-	3,934	-	-	-
BKT TIRES INC. (upto 20.06.2023 step-down subsidiary)	-	-	-	-	-	8,097	-	-
BKT EXIM US, INC (upto 21.06.2023 subsidiary)	-	-	-	-	-	35	-	-
<b>Income Received in Advance</b>								
Mrs. Pooja Dhoot	-	-	198	-	-	-	-	-
<b>Trade Payables</b>								
BKT(USA)INC	-	-	-	-	415	584	-	-
BKT TIRES (CANADA) INC.	-	-	-	-	173	114	-	-

Key management personnel compensation\*\*\*

Key management personnel compensation comprised the following :

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>Remuneration</b>		
Mr Arvind M Poddar	4,229	3,854
Mr Rajiv A Poddar	4,117	3,742
Mr Vipul Shah	92	87
Mr Madhusudhan Bajaj	241	205
<b>Recovery of Expenses</b>		
Mr. Rajiv A Poddar- Current Year ₹ 17,571 (Previous Year ₹ 3,712)	0	0

\*\*Provision for employee benefits, which are based on actuarial valuation done on an overall company basis, is excluded.

\*\*\* Excluding Provision for gratuity and leave encashment

**Terms and conditions of transactions with related parties**

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

\$ All the related party transactions were made on terms equivalent to those that prevail in an arm's length transactions.

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

**NOTE NO.44 TRADE PAYABLE AGEING AS AT 31ST MARCH,2024**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 Year	More than 3 Year	
MSE	2,093	-	-	-	2,093
Others	85,043	888	251	574	86,756
Dispute due MSE	-	-	-	-	-
Dispute due Others	96	1	-	312	409

**TRADE PAYABLE AGEING AS AT 31ST MARCH,2023**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 Year	More than 3 Year	
MSE	2,164	5	-	-	2,169
Others	40,993	4,185	156	498	45,832
Dispute due MSE	-	-	-	-	-
Dispute due Others	1	-	-	653	654

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows: (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
a) The principal amount remaining unpaid to any supplier at the end of the year	2,093	2,169
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

**NOTE NO.45 EMPLOYEE BENEFIT OBLIGATIONS****(A) Defined Contribution Plan**

The Company has various schemes for long-term benefits such as provident fund and superannuation. In case of funded schemes, the funds are recognised by the Income tax authorities and administered by appropriate authorities. The Company's defined contribution plans are superannuation and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) since the Company has no further obligation beyond making the contributions. The liability of the Company on the exempt Provident Fund is restricted to the interest shortfall, if any.

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Charge to the Statement of Profit and Loss based on contributions:</b>		
Superannuation	81	81
Employees' Provident fund	1,497	1,402

**(B) Defined Benefit Plan**

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Company has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at 31st March, 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
	Gratuity (Funded plan)	Gratuity (Funded plan)
<b>(i) Change in Defined Benefit Obligation</b>		
Opening defined benefit obligation	7,781	7,034
Amount recognised in profit and loss		
Current service cost	628	580
Interest cost	580	508



**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
	Gratuity (Funded plan)	Gratuity (Funded plan)
Amount recognised in other comprehensive income		
Actuarial loss / (gain) arising from:		
Demographic assumptions	-	-
Financial assumptions	244	(162)
Experience adjustment	(174)	210
Other		
Benefits paid	(631)	(389)
Closing defined benefit obligation	8,428	7,781
<b>(ii) Change in Fair Value of Assets</b>		
Opening fair value of plan assets	5,570	5,063
Amount recognised in profit and loss		
Interest income	415	365
Amount recognised in other comprehensive income		
Actuarial gain / (loss)		
Return on Plan Assets, Excluding Interest Income	(9)	14
Other		
Contributions by employer	527	517
Benefits paid	(631)	(389)
Closing fair value of Plan Assets	5,872	5,570
Actual return on Plan Assets	406	379
<b>(iii) Plan assets comprise the following</b>		
	Unquoted	Unquoted
Insurance fund (100%)	5,872	5,570
<b>(iv) Principal actuarial assumptions used</b>	%	%
Discount rate	7.21	7.48
Rate of employee turnover	For Service 4 years and below 10 % p.a. & for Service 5 years and above 2%p.a	For Service 4 years and below 10 % p.a. & for Service 5 years and above 2%p.a
Future Salary growth rate	8.50	8.50
<b>(v) Amount recognised in the Balance Sheet</b>		
Present value of obligations as at year end	8,428	7,781
Fair value of plan assets as at year end	5,872	5,570
Net (asset) / liability recognised as at year end	2,556	2,211
Recognised under :		
Long term provisions	2,556	2,211
	2,556	2,211

**(C) Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement) - Gratuity	(849)	1,019	(696)	828
Employee turnover (1% movement) - Gratuity	(47)	52	(45)	51
Future salary growth (1% movement) - Gratuity	686	(675)	649	(618)

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

**(D) Expected future cash flows**

(₹ in Lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>31st March, 2024</b>					
Defined benefit obligations (Gratuity)	358	279	2,263	2,820	5,720
<b>Total</b>	<b>358</b>	<b>279</b>	<b>2,263</b>	<b>2,820</b>	<b>5,720</b>

(₹ in Lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>31st March, 2023</b>					
Defined benefit obligations (Gratuity)	530	414	2,177	2,758	5,879
<b>Total</b>	<b>530</b>	<b>414</b>	<b>2,177</b>	<b>2,758</b>	<b>5,879</b>

**Other long-term employee benefits:**

Compensated absences are payable to employees at the rate of daily basic salary for each day of accumulated leave partially at the year end and partially on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31st March, 2024 based on actuarial valuation using the projected accrued benefit method is ₹ 38 lakhs (31st March, 2023 : ₹ 11 lakhs).

**NOTE NO.46 CONTINGENT LIABILITIES AND COMMITMENTS**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>(i) Contingent Liabilities</b>		
a) Claims against the Company not acknowledged as debts		
Disputed claims for excise, sales tax, customs, service tax and GST	12,738	12,507
Disputed income tax demands	86	1,348
Others (Municipal, Gram panchayat tax, Electricity Duty etc.)	906	823
b) Guarantees given by the Company's bankers on behalf of the Company against the Company's Indemnity	8,624	8,045
c) Corporate Guarantee given by the Company:		
To the President of India through Commissioner of Custom	48,405	62,498
To Bank against loan taken by subsidiary	3,585	6,484
d) Standby Letter of Credit issued by Company's banker for loan taken by subsidiary	2,699	2,688
<b>(ii) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	96,635	56,271

**NOTE NO.47 REMUNERATION TO AUDITORS \***

(₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>a) Statutory Auditor</b>		
Audit Fees	66	55
Limited Review	4	4
Tax Audit	30	25
Transfer Pricing	4	4
	<b>104</b>	<b>88</b>
<b>Income tax matters</b>	<b>33</b>	<b>7</b>
<b>Company Law Matters</b>	<b>30</b>	<b>12</b>
<b>Other Services</b>		
Consolidation & Corporate Governance	9	7
Other Certification etc.	37	38
	<b>46</b>	<b>45</b>
<b>Total</b>	<b>213</b>	<b>152</b>
<b>b) Cost Auditor</b>		
Audit Fees	5	-

\*Excluding GST

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.48 NATURE OF SECURITY IN RESPECT OF SECURED LOAN:**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Term Loans from Bank:</b>		
Secured by first charge by way of hypothecation on all the movable assets of tyre plant of Bhuj, Gujarat	54,131	53,765

**NOTE NO.49 TRADE RECEIVABLE AGEING AS AT 31ST MARCH, 2024**

(₹ in Lakhs)

Sr no	Particulars	Less than 6 months	6 month -1 year	1-2 Years	2-3 Years	More than 3 years	Total
1	Undisputed Trade Receivable - Considered Good	1,47,254	6,705	375	-	-	1,54,334
2	Undisputed Trade Receivable - which have significant increase in Credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
4	Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
5	Disputed Trade Receivable - which have significant increase in Credit risk	-	-	-	-	-	-
6	Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-

**TRADE RECEIVABLE AGEING AS AT 31ST MARCH, 2023**

(₹ in Lakhs)

Sr no	Particulars	Less than 6 months	6 month -1 year	1-2 Years	2-3 Years	More than 3 years	Total
1	Undisputed Trade Receivable - Consider Good	1,14,636	10,589	129	-	-	1,25,354
2	Undisputed Trade Receivable - which have significant increase in Credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
4	Disputed Trade Receivable - Consider Good	-	-	-	-	-	-
5	Disputed Trade Receivable - which have significant increase in Credit risk	-	-	-	-	-	-
6	Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-

**NOTE NO.50 EVENTS AFTER THE REPORTING PERIOD**

The Board of Directors has recommended a further final dividend of ₹ 4 (200%) per equity share of ₹ 2 each.

**NOTE NO.51 CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITY:**

(₹ in Lakhs)

Sr. No	Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
1	Amount required to be spent by the Company during the year	3,134	2,889
2	Opening Shortfall/(Surplus) (if any) (₹ 6,617)	(0)	(11)
3	Amount of expenditure incurred on		
	i) Construction/acquisition of any assets	2,153	2,026
	ii) On purpose of other than (i) above	1,254	852
4	Shortfall/(Surplus) at the end of the year (₹ 6,617)	(273)	(0)
5	Total of Previous year shortfall	-	-
6	Reason for shortfall	-	-
7	Nature of CSR activities	Healthcare, Education and Rural development	
8	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :	-	-

## Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.52 RATIOS

Sr No.	Particulars	Numerator	Denominator	Year Ended		Variance %	Remarks for variance more than 25%
				31st March, 2024	31st March, 2023		
1	Current Ratio (In times)	Current Assets	Current Liabilities	1.28	1.20	7.27	
2	Debt-Equity Ratio (In times)	Total Debt	Shareholder's Equity	0.34	0.43	(20.07)	
3	Debt Service Coverage Ratio (In times)	Earnings available for debt service	Debt Service	130.46	298.88	(56.35)	There has been increase in interest cost
4	Return on Equity (ROE) (%)	Net Profits after taxes	Average Shareholder's Equity	17.48	14.86	17.58	
5	Inventory Turnover (In times)	Cost of goods sold	Average Inventories	10.26	10.77	(4.68)	
6	Trade receivables Turnover (In times)	Net Sales	Average Trade Receivables	6.60	8.25	(19.95)	
7	Trade Payables Turnover Ratio (In times)	Total Purchase	Avg Trade Payables	10.31	12.39	(16.76)	
8	Net capital turnover ratio (In times)	Net Sales	Working Capital	11.21	14.77	(24.11)	
9	Operating Margin (%)	Operating Profit	Net Sales	16.90	11.95	41.37	There has been increase in profit margin
10	Net profit ratio (%)	Net Profit	Net Sales	15.57	11.12	39.95	There has been increase in profit margin
11	Return on capital employed (ROCE) (%)	Earning before interest and taxes	Capital Employed	16.42	13.52	21.39	
12	Return on investment (%)	Income generated from investments	Average Investments	11.29	5.46	106.53	There has been increase in cash flow during the year
13	Interest coverage ratio (In times)	Earnings before interest and taxes (EBIT)	Finance Cost	18.43	32.80	(43.79)	There has been increase in interest cost

## NOTE NO.53 OTHER STATUTORY INFORMATIONS:

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company does not have any transactions with struck off companies.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- v) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
  - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vii) All the title deeds of immovable properties are in the name of the Company.
- viii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or
  - b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- ix) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

**Notes to the Standalone Financial Statements For the year ended 31st March, 2024 (Contd.)****NOTE NO.54 EXTENDED PRODUCER RESPONSIBILITY (EPR)**

On 21st July, 2022, the Ministry of Environment, Forest and Climate Change issued notification containing regulations on Extended Producer Responsibility (EPR) for Waste Tyres, which amongst others is also applicable to Tyre manufacturers. The obligation is to be fulfilled by purchasing certificates from recyclers registered with the Central Pollution Control Board. As on 31st March, 2023 the Company was unable to reliably estimate its liability due to lack of infrastructure for the same. Consequently, provision was not made for this obligation. In the current year, the necessary framework has been established, allowing the Company to estimate the liability and accordingly ₹ 1,125 lakhs has been provided in the books in the current year, which has been included under the head Other Expenses for the current year. In line with regulation, calculation for the obligation is based on the domestic revenue of FY 2020-21 (used for computing obligation for FY 2022-23) and of FY 2021-22 (used for computing obligation for FY 2023-24).

**NOTE NO.55**

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

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

As per our report of even date attached  
For **JAYANTILAL THAKKAR & CO.**  
Chartered Accountants  
(Firm Reg. no.104133W)

**VIRAL A. MERCHANT**  
Partner  
Membership No.116279  
Place : Mumbai  
Dated: 17th May, 2024

**MADHUSUDAN BAJAJ**  
Sr. President (Commercial) & CFO

For and on behalf of the Board of Directors  
**ARVIND PODDAR** Chairman & Managing Director

**RAJIV PODDAR** Joint Managing Director

**VIPUL SHAH** Director & Company Secretary

Place : Mumbai  
Dated: 17th May, 2024

## Independent Auditors' Report

To the Members of

**BALKRISHNA INDUSTRIES LIMITED**

**Report on the Consolidated Financial Statements**

### OPINION

We have audited the accompanying consolidated financial statements of Balkrishna Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31<sup>st</sup> March, 2024, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI'), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### KEY AUDIT MATTERS

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Description of Key Audit Matters

The key audit matters	How our audit addressed the matter
<b>Capitalisation of property, plant and equipment</b>	<b>Principal Audit Procedures</b>
<p>During the year ended 31<sup>st</sup> March, 2024, the Company has incurred significant capital expenditure. Further the total additions to property, plant and equipment at various factories of the Company was ₹ 1,59,847 lakhs in the current year as set out in Note No.2. Significant level of judgement is involved to ensure that the aforesaid capital expenditure/additions meet the recognition criteria of Ind AS 16 - Property, Plant and Equipment.</p> <p>As a result, the aforesaid matter was determined to be a key audit matter.</p>	<p>Our audit procedures included the following substantive procedures:</p> <ul style="list-style-type: none"> <li>We assessed the capitalisation process and tested the design and operating effectiveness of the controls in the process.</li> <li>Assessed the nature of the additions made to property, plant and equipment and capital work-in-progress on a test check basis to test that they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16.</li> <li>Reviewed the project completion details provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management.</li> </ul> <p>Based on the above procedures, management's assessment in respect of Capitalisation of property, plant and equipment in the Consolidated Financial Statements are considered to be adequate.</p>

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors including Annexures thereto, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

## AS PART OF AN AUDIT IN ACCORDANCE WITH SAS, WE EXERCISE PROFESSIONAL JUDGMENT AND MAINTAIN PROFESSIONAL SKEPTICISM THROUGHOUT THE AUDIT. WE ALSO:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the entity has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group (Holding company and subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**OTHER MATTERS**

We did not audit the financial statements of the 4 foreign subsidiaries, whose financial results include total assets of (before consolidation adjustments) ₹ 32,398 lakhs, total revenue of (before consolidation adjustments) ₹ 63,779 lakhs, total net profit after tax of (before consolidation adjustments) ₹ 1,210 lakhs, total comprehensive income of (before consolidation adjustments) ₹ 231 lakhs and net cash inflow/(outflow) of (before consolidation adjustments) ₹ (1,155) lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited/ reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

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

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary which is incorporated in India, as on 31<sup>st</sup> March, 2024 and taken on record by the Board of Directors of respective companies, none of the directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A.
  - g) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act, as amended:
 

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. Further the only Indian Subsidiary has not paid any remuneration to its directors during the current year.
  - h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations as at 31<sup>st</sup> March, 2024 on the consolidated financial position of the Group.
    - ii. The Company and its subsidiary company incorporated in India did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India during the year ended 31<sup>st</sup> March, 2024.
    - iv.
      - (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
      - (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with section 123 of the Act, as applicable. As stated in Note No. 53 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. 1<sup>st</sup> April, 2023 to the Holding Company and its subsidiary which is incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended 31<sup>st</sup> March, 2024.

Based on our examination which included test checks, the Holding Company and its subsidiary which is incorporated in India has used accounting software for maintaining its books of account for the financial year ended 31<sup>st</sup> March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1<sup>st</sup> April, 2023 reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31<sup>st</sup> March, 2024.

2. With respect to the matters specified in paragraphs 3(xxii) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For JAYANTILAL THAKKAR & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REG. NO. 104133W)

VIRAL A. MERCHANT  
PARTNER

MEMBERSHIP NO. 116279  
UDIN: 24116279BKDOAZ1697

PLACE: Mumbai  
DATE: 17<sup>th</sup> May, 2024

## Annexure - A to the Independent Auditors' Report

### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31<sup>st</sup> March, 2024, we have audited the internal financial controls over financial reporting of Balkrishna Industries Limited ("the Company") and its subsidiary company incorporated in India, as of that date.

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

#### AUDITORS' RESPONSIBILITY

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

#### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

#### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary company, incorporated in India, have, in all material respects, an internal financial controls with reference to financial statements as at 31<sup>st</sup> March, 2024, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For JAYANTILAL THAKKAR & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REG. NO. 104133W)

VIRAL A. MERCHANT  
PARTNER  
MEMBERSHIP NO. 116279  
UDIN: 24116279BKDOAZ1697

PLACE: Mumbai  
DATE: 17<sup>th</sup> May, 2024

## Consolidated Balance Sheet

as at 31st March, 2024

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
<b>I ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	6,23,193	5,29,169
(b) Capital Work-in-Progress	2A	94,443	1,39,160
(c) Investment Property	3	6,425	7,076
(d) Intangible Assets	4	200	128
(e) Right of use assets	4A	1,930	2,032
(f) Financial Assets			
i) Investments	5	1,33,666	1,26,211
ii) Other Financial Assets	6	15,508	9,376
(g) Income tax Assets (Net)	7	1,012	-
(h) Other Non-Current Assets	8	27,671	28,819
<b>TOTAL NON-CURRENT ASSETS</b>		<b>9,04,048</b>	<b>8,41,971</b>
<b>2 CURRENT ASSETS</b>			
(a) Inventories	9	1,33,153	1,66,737
(b) Financial Assets			
i) Investments	10	1,34,899	77,460
ii) Trade Receivables	11	1,44,543	1,11,527
iii) Cash and Cash Equivalents	12	7,462	6,930
iv) Other Bank Balances	13	538	703
v) Loans	14	675	380
vi) Other Financial Assets	15	6,955	5,133
(c) Other Current Assets	16	36,181	23,925
<b>TOTAL CURRENT ASSETS</b>		<b>4,64,406</b>	<b>3,92,795</b>
<b>TOTAL ASSETS</b>		<b>13,68,454</b>	<b>12,34,766</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Share Capital	17	3,866	3,866
(b) Other Equity	18	8,81,516	7,51,827
<b>TOTAL EQUITY</b>		<b>8,85,382</b>	<b>7,55,693</b>
<b>LIABILITIES</b>			
<b>1 NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
i) Borrowings	19	69,144	1,03,809
ii) Lease Liabilities	19A	401	474
ii) Other Financial Liabilities	20	1,592	6,365
(b) Provisions	21	3,472	3,054
(c) Deferred Tax Liabilities (Net)	22	34,900	24,185
(d) Other Non-Current Liabilities	23	7,519	6,259
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,17,028</b>	<b>1,44,146</b>
<b>2 CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
i) Borrowings	24	2,40,399	2,30,366
ii) Lease Liabilities	24A	-	4
iii) Trade Payable			
Total outstanding due of Micro and Small Enterprise	25	2,093	2,169
Total outstanding due of creditors Other than Micro and Small Enterprise	25	88,930	47,045
iv) Other Financial Liabilities	26	15,626	21,817
(b) Other Current Liabilities	27	18,553	32,855
(c) Provisions	28	443	426
(d) Current Tax Liabilities (Net)	28A	-	245
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,66,044</b>	<b>3,34,927</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>13,68,454</b>	<b>12,34,766</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

As per our report of even date attached  
**For JAYANTILAL THAKKAR & CO.**  
 Chartered Accountants  
 (Firm Reg. no.104133W)

**VIRAL A. MERCHANT**  
 Partner  
 Membership No.116279  
 Place : Mumbai  
 Dated: 17th May, 2024

**MADHUSUDAN BAJAJ**  
 Sr. President (Commercial) & CFO

For and on behalf of the Board of Directors  
**ARVIND PODDAR** Chairman & Managing Director

**RAJIV PODDAR** Joint Managing Director

**VIPUL SHAH** Director & Company Secretary

Place : Mumbai  
 Dated: 17th May, 2024

## Consolidated Statement of Profit and Loss

for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Note No.	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>I Revenue From Operations</b>	29	9,36,887	9,75,953
<b>II Other Income</b>	30	44,922	34,653
<b>III Total Income (I+II)</b>		<b>9,81,809</b>	<b>10,10,606</b>
<b>IV Expenses :</b>			
Cost of Materials Consumed	31	4,40,445	4,80,419
Purchases of Stock-in-Trade	32	11,985	10,625
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	33	(3,288)	487
Employee Benefits Expense	34	49,951	45,943
Finance Cost	35	11,287	4,804
Depreciation and Amortisation Expense	36	65,072	57,081
Other Expenses	37	2,12,257	2,67,768
<b>Total Expenses</b>		<b>7,87,709</b>	<b>8,67,127</b>
<b>V Profit Before Tax (III-IV)</b>		<b>1,94,100</b>	<b>1,43,479</b>
<b>VI Tax Expenses</b>			
Current tax		40,602	34,922
Short/(Excess) provision of earlier years		503	225
Deferred tax		5,846	2,592
<b>Total Tax Expenses</b>		<b>46,951</b>	<b>37,739</b>
<b>VII Profit After Tax (V-VI)</b>		<b>1,47,149</b>	<b>1,05,740</b>
<b>VIII Other Comprehensive Income</b>			
1 i) Items that will not be reclassified to profit or loss :			
Remeasurements of Defined Benefit Plans		(79)	(34)
ii) Income Tax		20	8
2 i) Items that will be reclassified to profit or loss :			
The effective portion of gain and (losses) on hedging instruments in a cash flow hedge		19,387	(13,973)
ii) Income Tax		(4,879)	3,516
iii) Exchange differences on translation of financial statements of foreign operation		(979)	(1,935)
<b>Total Other Comprehensive Income (1+2)</b>		<b>13,470</b>	<b>(12,418)</b>
<b>IX Total Comprehensive Income (VII+VIII)</b>		<b>1,60,619</b>	<b>93,322</b>
<b>Attributable to:</b>			
Owners of the company		1,60,619	93,322
Non-Controlling interest		-	-
<b>X Earnings per equity share:</b>			
Basic and Diluted	42	76.12	54.70

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As per our report of even date attached  
**For JAYANTILAL THAKKAR & CO.**  
Chartered Accountants  
(Firm Reg. no.104133W)

**VIRAL A. MERCHANT**  
Partner  
Membership No.116279  
Place : Mumbai  
Dated: 17th May, 2024

**MADHUSUDAN BAJAJ**  
Sr. President (Commercial) & CFO

For and on behalf of the Board of Directors  
**ARVIND PODDAR** Chairman & Managing Director

**RAJIV PODDAR** Joint Managing Director

**VIPUL SHAH** Director & Company Secretary

Place : Mumbai  
Dated: 17th May, 2024

## Consolidated Statement of Changes in Equity

for the year ended 31st March, 2024

(a) Equity share capital

(₹ in Lakhs)

Particulars	No. of Shares	Amount
Balance as at 1st April, 2022	19,33,17,190	3,866
Changes in equity share capital	-	-
Balance as at 31st March, 2023	19,33,17,190	3,866
Changes in equity share capital	-	-
Balance as at 31st March 2024	19,33,17,190	3,866

(b) Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus			Statement of other comprehensive Income			Total other equity
	Capital Reserve	General Reserve	Retained earnings	Remeasurements of the net defined benefit Plans	Effective portion of Cash flow Hedges	Foreign Currency translation reserve	
Balance as at 1st April, 2022	34	4,40,000	2,46,229	(1,456)	7,915	(3,287)	6,89,435
<b>Total Comprehensive</b>							
Profit for the year	-	-	1,05,740	-	-	-	1,05,740
Other comprehensive income for the year	-	-	-	(25)	(10,457)	-	(10,482)
<b>Transactions with owners of the company</b>							
Interim Dividend on Equity Shares	-	-	(23,198)	-	-	-	(23,198)
Dividend on Equity Shares	-	-	(7,733)	-	-	-	(7,733)
Transferred to General Reserve	-	-	(40,000)	-	-	-	(40,000)
Transferred from Retained Earnings	-	40,000	-	-	-	-	40,000
Foreign currency translation reserve	-	-	-	-	-	(1,935)	(1,935)
Balance as at 31st March, 2023	34	4,80,000	2,81,038	(1,481)	(2,542)	(5,222)	7,51,827
<b>Total Comprehensive</b>							
Profit for the year	-	-	1,47,149	-	-	-	1,47,149
Other comprehensive income for the year	-	-	-	(59)	14,507	-	14,448
<b>Transactions with owners of the company</b>							
Interim Dividend on Equity Shares	-	-	(23,198)	-	-	-	(23,198)
Dividend on Equity Shares	-	-	(7,732)	-	-	-	(7,732)
Transferred to General Reserve	-	-	(40,000)	-	-	-	(40,000)
Transferred from Retained Earnings	-	40,000	-	-	-	-	40,000
Foreign currency translation reserve	-	-	-	-	-	(979)	(979)
Balance as at 31st March, 2024	34	5,20,000	3,57,257	(1,540)	11,965	(6,201)	8,81,516

Financial Statements Consolidated

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

As per our report of even date attached

For JAYANTILAL THAKKAR &amp; CO.

Chartered Accountants

(Firm Reg. no.104133W)

**VIRAL A. MERCHANT**

Partner

Membership No.116279

Place : Mumbai

Dated: 17th May, 2024

**MADHUSUDAN BAJAJ**

Sr. President (Commercial) &amp; CFO

For and on behalf of the Board of Directors

**ARVIND PODDAR**

Chairman &amp; Managing Director

**RAJIV PODDAR**

Joint Managing Director

**VIPUL SHAH**

Director &amp; Company Secretary

Place : Mumbai

Dated: 17th May, 2024

## Consolidated Cash Flow Statement

for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit before Tax	1,94,100	1,43,479
Adjustment for :		
Depreciation and Amortisation	65,072	57,081
Withdrawal of Provision of Doubtful Loan	(50)	(210)
Investment written off	-	72
Net mark to market (Gain)/Loss on investments	(17,188)	1,762
Income from Investments	(3,682)	(8,609)
Finance Cost	11,352	4,804
Interest Income including on investments	(4,740)	(3,643)
(Profit) /Loss on Sale of Property, Plant and equipment	(954)	(179)
Property, Plant and equipment Discarded	17	470
Unrealised Foreign Exchange differences (Gain)/Loss	(6,500)	6,913
Actuarial gains/(losses) reclassified to OCI	(79)	(34)
Export Incentive on account of EPCG (Benefit)/Utilised	(2,093)	(4,169)
	<b>41,155</b>	<b>54,258</b>
<b>Operating profit before working capital changes</b>	<b>2,35,255</b>	<b>1,97,737</b>
Adjustment for:		
Trade and other receivables	(22,848)	14,315
Other Financial Assets	165	(123)
Inventories	33,584	472
Trade payables	4,459	(33,315)
	<b>15,360</b>	<b>(18,651)</b>
<b>Cash generated from operations</b>	<b>2,50,615</b>	<b>1,79,086</b>
Direct taxes paid	(42,351)	(34,293)
<b>Net cash from Operating Activities</b>	<b>2,08,264</b>	<b>1,44,793</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Property, Plant and equipment	(1,09,855)	(1,76,247)
Sale of Property, Plant and equipment	1,720	1,022
Purchase of Investments	(2,61,900)	(19,830)
Sale of Investments	2,16,157	10,998
Inter Corporate Loan Refund Received	50	210
Interest received	4,736	3,796
Income/Dividend Received on Investments	1,538	1,742
<b>Net cash used in Investing Activities</b>	<b>(1,47,554)</b>	<b>(1,78,309)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds/(Repayment) of Short Term Borrowings (Net)	(33,580)	32,462
Proceeds from Long Term Borrowings	2,94,439	3,92,126
Repayment of Long Term Borrowings	(2,79,883)	(3,53,617)
Dividend paid (including tax thereon)	(30,945)	(30,909)
Lease Liability paid	0	(2)
Finance Cost paid	(10,219)	(4,202)
<b>Net Cash from Financing Activities</b>	<b>(60,188)</b>	<b>35,858</b>
<b>Net Increase/(Decrease) in cash and cash equivalent</b>	<b>522</b>	<b>2,342</b>
Exchange difference on cash and cash equivalent	10	(3)
Cash and cash equivalent as at the beginning of the year	6,930	4,591
Cash and cash equivalent as at the end of the year	7,462	6,930

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

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.

Chartered Accountants

(Firm Reg. no.104133W)

VIRAL A. MERCHANT

Partner

Membership No.116279

Place : Mumbai

Dated: 17th May, 2024

MADHUSUDAN BAJAJ

Sr. President (Commercial) & CFO

For and on behalf of the Board of Directors

ARVIND PODDAR

Chairman & Managing Director

RAJIV PODDAR

Joint Managing Director

VIPUL SHAH

Director & Company Secretary

Place : Mumbai

Dated: 17th May, 2024

## Notes Forming Part of the Consolidated Financial Statements

for the year ended 31st March, 2024

### 1 (A) General information

Balkrishna Industries Limited ('the Company') is a public limited company incorporated and domiciled in India and has its registered office at Waluj MIDC, Chhatrapati Sambhajanagar, Maharashtra, India.

These consolidated financial statements comprise the Company and its subsidiaries (collectively the 'Group' and individually 'Group companies').

The Group is primarily engaged in the business of manufacturing and selling of "Off-Highway Tyres" (OHT) in the specialist segments such as Agricultural, Industrial & Construction, Earthmovers & Port, Mining, Forestry, Lawn & Garden and All Terrain Vehicles (ATV).

### (B) Material Accounting policies

#### (a) Basis of preparation

- (i) The consolidated financial statements have been prepared in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.
- (ii) The consolidated financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:
  1. Financial instruments measured at fair value through profit and loss
  2. Financial instruments measured at fair value through other comprehensive income
  3. Defined benefit plans – plan assets measured at fair value

#### (b) Basis of consolidation

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Name of the Subsidiary Company	Country of Incorporation
<b>Direct Subsidiaries</b>	
BKT Tyres Limited	India
BKT EUROPE S.R.L.	Italy
BKT TIRES (CANADA) INC.	Canada
BKT USA INC.	USA
BKT EXIM US, INC. (upto 21 <sup>st</sup> June,2023)	USA
BKT TIRES INC. (w.e.f. 22 <sup>nd</sup> June,2023)	USA
<b>Step down Subsidiary</b>	
BKT TIRES INC. (upto 20 <sup>th</sup> June,2023)	USA

**Note:** w.e.f 21<sup>st</sup> June,2023 BKT Tires INC has merged with BKT EXIM US INC, w.e.f 22<sup>nd</sup> June,2023 name of BKT EXIM US INC was changed to BKT Tires INC

The Board of Directors of Holding Company has approved the Scheme of Amalgamation of BKT Tyres Limited (wholly-owned subsidiary) with the Holding Company. The appointed date of the Scheme is 1st April, 2024 .The Scheme is subject to necessary statutory and regulatory approvals, including sanction by the Hon'ble National Company Law Tribunal under Section 230 and 232 of the Companies Act,2013.

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

**(c) Foreign currency translation****(i) Functional and presentation currency**

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (₹), which is the Group's functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit and loss are also recognised in OCI or profit and loss, respectively).

**(d) Revenue recognition**

The Group has adopted Ind AS 115, Revenue from Contract with Customers.

Revenue is measured at the transaction price of the consideration received or receivable. Revenue from sale of goods is recognized; when the significant risks and rewards in respect of ownership of products are transferred by the Group, the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and no significant uncertainty exist regarding the amount of consideration that will be derived from the sale of goods as well as regarding its ultimate collection. Amounts disclosed as revenue are net of variable consideration on account of various Discounts, Rebates, incentives offered by the Company as a part of the contract.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

**Sale of goods**

Revenue from sale of products is recognized when the significant risks and rewards in respect of ownership of products are transferred by the Group as well as the controls on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

**Export Benefits**

Export Incentives under prevalent Schemes under EXIM policy/ Foreign Trade Policy are accounted once received by Company from the Government. 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 Group during the year.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Profit and Loss on a systematic basis as and when export obligation are fulfilled.

**Dividend income**

Dividend is recognized as revenue when the right to receive payment has been established.

**Interest income**

For all interest bearing financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

**(e) Property, Plant and Equipment (PPE)****i. Recognition and measurement**

Freehold land is carried at historical cost. All other items of PPE are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of PPE comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.



## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

The Group has elected to continue with the carrying value of all its property, plant and equipment as recognized in the consolidated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Any gain or loss on disposal of an item of PPE is recognised in profit and loss.

### ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

### iii. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on PPE has been provided based on useful life of the assets in accordance with Schedule II to the Companies Act, 2013, on Straight Line Method.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Profit and loss on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

Asset Class	Useful Life
Freehold Land	Non-Depreciable
Buildings	3 Years to 60 Years
Plant & Equipment	3 Years to 20 Years
Furniture & Fixture, Electrical Installation	3 Years to 10 Years
Vehicle	3 Years to 10 Years
Office Equipment, Air Conditioners	3 Years to 5 Years
Computers	3 Years

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.

### (f) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives.

Asset Class	Useful Life
Investment properties	60 Years

### (g) Intangible assets

Intangible assets comprise application software purchased, which are not an integral part of the related hardware, and are amortized on a straight line method, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific to which it relates.

The Group has elected to continue with the carrying value of all its intangible assets as recognized in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101

Asset Class	Useful Life
Software	3 Years to 6 Years

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

**(h) Impairment of non-financial assets**

Assets that have a definite useful life are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired.

The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

**(i) Borrowing cost**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other cost that an entity incurs in connection with borrowing of funds. Borrowing cost also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.

**(j) Lease**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Leasehold land is amortised over the lease period.

Asset Class	Useful Life
Leasehold Land	60 Years to 100 Years

**(k) Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

**i. Current tax**

Current tax asset or liability comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset only if:

- there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority; and
- there is intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**ii. Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences (if any) to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset only if they relate to income taxes levied by the same taxation authority on the same taxable entity.

### (l) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, call deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### (m) Inventories

Raw materials, packing materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value, cost is calculated on moving weighted average basis.

In respect of finished goods, cost includes materials, appropriate share of utilities, other overheads and applicable excise duty. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### (n) 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 PPE.

### (o) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

#### i. Financial assets

##### Classification

The Group shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

##### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### Debt instruments

- A debt instrument is measured at the amortised cost if both the following conditions are met:
  - a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**

- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss.
- Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.

**Equity instruments**

- The Group subsequently measures all equity investments in companies other than equity investments in subsidiaries, at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit and loss as other income when the Group's right to receive payments is established.

**De-recognition**

- A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:
  - The rights to receive cash flows from the asset have expired, or
  - The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
  - When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.
  - Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

**Impairment of financial assets**

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**ii. Financial liabilities****Classification**

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

**Financial liabilities at fair value through profit and loss**

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

### Derivative financial instruments

The Group uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. For contracts where hedge accounting is not followed, such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### iii. Hedge accounting

Forward exchange contracts entered to hedge highly probable forecast revenues are recorded using the principles of hedge accounting as per Ind AS 109. Such forward exchange contracts which qualify for cash flow hedge accounting and where the conditions of Ind AS 109 have been met are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of the future cash flows are recognized directly under shareholder's funds in the cash flow hedging reserve and the ineffective portion is recognized immediately in the statement of profit and loss.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued when the hedging instrument expires or is sold or terminated or exercised or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument recognised in shareholders' funds is transferred to statement of profit and loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders' funds is transferred to the statement of profit and loss.

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

**(p) Employee benefits****i. Short term employee benefits**

Short term employee benefits consisting of wages, salaries, social security contributions, ex-gratia and accrued leave, are benefits payable and recognised in 12 months. Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the year as the related service are rendered by the employee.

**ii. Defined contribution plans**

Company's contribution for the year paid/payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss

The Company's contribution towards provident fund, superannuation fund and employee state insurance scheme for certain eligible employees are considered to be defined contribution plan for which the Company made contribution on monthly basis.

**iii. Defined benefit plans**

Company's liabilities towards defined benefit plans and other long term benefits viz. gratuity and compensated absences expected to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognised in the Statement of other comprehensive income in the period of occurrence of such gains and losses. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets, if any.

**(q) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised if as a result of a past event, the Group has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Where an inflow of economic benefits is probable, the Company shall disclose a brief description of the nature of the contingent assets at the year end and wherever practicable, an estimate of their financial effect.

**(r) Earnings per share (EPS)**

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

**(s) Current vs non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

### (t) Key estimates and assumptions

The preparation of consolidated financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

- Determination of the estimated useful lives of tangible assets and intangible assets and the assessment as to which components of the cost may be capitalized.

Useful lives of tangible assets and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on management estimate, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Group assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalised.

- Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- Provisions and contingent liabilities

The Group exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

- Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO.

They regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

### (u) Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

### (v) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31<sup>st</sup> March, 2024 MCA had not notified any new standards or amendments to the existing standards applicable to the company.

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.2 PROPERTY, PLANT AND EQUIPMENTS AS AT 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	Gross Block (At Cost)				Depreciation (Including Amortisation)				(Net Block)
	Balance As at 1st April, 2023	Additions / Adjustment During the year	Deductions During the year	Balance As at 31st March, 2024	Balance As at 1st April, 2023	*For the Year	Deductions During the year	Balance As at 31st March, 2024	As At 31st March, 2024
<b>Tangible assets</b>									
(a) Freehold Land	7,766	5,130	-	12,896	-	-	-	-	12,896
(b) Buildings	1,69,675	39,915	15	2,09,575	31,339	6,549	0 #	37,888	1,71,687
(c) Plant and Equipment	5,91,656	1,01,054	734	6,91,976	2,40,698	52,301	716	2,92,283	3,99,693
(d) Furniture and Fixtures	10,092	1,993	16	12,069	5,451	1,110	16	6,545	5,524
(e) Vehicles	4,340	702	525	4,517	1,905	470	295	2,080	2,437
(f) Office Equipment	3,265	166	-	3,431	1,732	448	-	2,180	1,251
(g) Others:									
Electric Installations	33,022	9,828	63	42,787	13,097	3,578	61	16,614	26,173
Air Conditioners	1,812	465	-	2,277	1,223	234	-	1,457	820
Computer	2,894	282	60	3,116	1,677	569	60	2,186	930
Lease hold improvement	4,870	312	-	5,182	3,101	299	-	3,400	1,782
<b>TOTAL</b>	<b>8,29,392</b>	<b>1,59,847</b>	<b>1,413</b>	<b>9,87,826</b>	<b>3,00,223</b>	<b>65,558</b>	<b>1,148</b>	<b>3,64,633</b>	<b>6,23,193</b>

\* Including Depreciation capitalised ₹ 715 Lakhs

# ₹ 6,228

## PROPERTY, PLANT AND EQUIPMENTS AS AT 31ST MARCH, 2023

(₹ in Lakhs)

Particulars	Gross Block (At Cost)				Depreciation (Including Amortisation)				(Net Block)
	Balance As at 1st April, 2022	Additions / Adjustment During the year	Deductions During the year	Balance As at 31st March, 2023	Balance As at 1st April, 2022	*For the Year	Deductions During the year	Balance As at 31st March, 2023	As At 31st March, 2023
<b>Tangible assets</b>									
(a) Freehold Land	7,059	707	-	7,766	-	-	-	-	7,766
(b) Buildings	1,52,565	17,110	-	1,69,675	25,706	5,633	-	31,339	1,38,336
(c) Plant and Equipment	4,31,478	1,63,014	2,836	5,91,656	1,97,693	45,281	2,276	2,40,698	3,50,958
(d) Furniture and Fixtures	9,362	866	136	10,092	4,656	930	135	5,451	4,641
(e) Vehicles	3,285	1,218	163	4,340	1,621	411	127	1,905	2,435
(f) Office Equipment	2,582	702	19	3,265	1,390	361	19	1,732	1,533
(g) Others:									
Electric Installations	24,000	9,092	70	33,022	10,336	2,831	70	13,097	19,925
Air Conditioners	1,431	390	9	1,812	1,073	159	9	1,223	589
Computer	2,383	536	25	2,894	1,202	499	24	1,677	1,217
Lease hold improvement	3,897	973	-	4,870	2,039	1062	-	3,101	1,769
<b>TOTAL</b>	<b>6,38,042</b>	<b>1,94,608</b>	<b>3,258</b>	<b>8,29,392</b>	<b>2,45,716</b>	<b>57,167</b>	<b>2,660</b>	<b>3,00,223</b>	<b>5,29,169</b>

\* Including Depreciation capitalised ₹ 295 Lakhs.

## NOTE NO. 2A CAPITAL WORK IN PROGRESS AGEING AS AT 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	Less than one year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	50,496	35,636	5,000	3,311	94,443
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>50,496</b>	<b>35,636</b>	<b>5,000</b>	<b>3,311</b>	<b>94,443</b>

## CAPITAL WORK IN PROGRESS AGEING AS AT 31ST MARCH, 2023

(₹ in Lakhs)

Particulars	Less than one year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	1,15,638	18,481	2,204	2,837	1,39,160
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,15,638</b>	<b>18,481</b>	<b>2,204</b>	<b>2,837</b>	<b>1,39,160</b>



**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**

Expected Completion Schedule of Capital work-in progress where time overrun has exceeded original Plan as on 31st March, 2024 (₹ in Lakhs)

Particulars	(To be completed in)			
	Less than one year	1-2 Years	2-3 Years	More than 3 Years
Project-1	35,988	-	-	-

There are no projects which have exceeded its cost compared to its original plan.

Expected Completion Schedule of Capital work-in progress where time overrun has exceeded original Plan as on 31st March, 2023 (₹ in Lakhs)

Particulars	(To be completed in)			
	Less than one year	1-2 Years	2-3 Years	More than 3 Years
Project-1	30,127	-	-	-

There are no projects which have exceeded its cost compared to its original plan.

**NOTE NO.3 INVESTMENT PROPERTY AS AT 31ST MARCH, 2024** (₹ in Lakhs)

Particulars	Gross Block (At Cost)				Depreciation (Including Amortisation)				(Net Block)
	Balance As at 1st April, 2023	Additions During the year	Deductions During the year	Balance As at 31st March, 2024	Balance As at 1st April, 2023	For the Year	Deductions During the year	Balance As at 31st March, 2024	As At 31st March, 2024
Buildings	8,012	-	604	7,408	936	133	86	983	6,425
<b>TOTAL</b>	<b>8,012</b>	<b>-</b>	<b>604</b>	<b>7,408</b>	<b>936</b>	<b>133</b>	<b>86</b>	<b>983</b>	<b>6,425</b>

**INVESTMENT PROPERTY AS AT 31ST MARCH, 2023** (₹ in Lakhs)

Particulars	Gross Block (At Cost)				Depreciation (Including Amortisation)				(Net Block)
	Balance As at 1st April, 2022	Additions During the year	Deductions During the year	Balance As at 31st March, 2023	Balance As at 1st April, 2022	For the Year	Deductions During the year	Balance As at 31st March, 2023	As At 31st March, 2023
Buildings	8,804	-	792	8,012	870	144	78	936	7,076
<b>TOTAL</b>	<b>8,804</b>	<b>-</b>	<b>792</b>	<b>8,012</b>	<b>870</b>	<b>144</b>	<b>78</b>	<b>936</b>	<b>7,076</b>

**(i) Amounts recognised in profit and loss for investment properties** (₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Rental income derived from investment properties	560	293
Direct operating expenses (including repair and maintenance ) generating rental income	(10)	(35)
Direct operating expenses (including repair and maintenance ) not generating rental income	(24)	(37)

**(ii) Fair value** (₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Investment properties	23,051	23,915

**Estimation of fair value**

The company obtains independent valuations for its investment properties from an independent valuer.

The main inputs used for determining fair values of investment properties are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data.

**NOTE NO.4 INTANGIBLE ASSETS AS AT 31ST MARCH, 2024** (₹ in Lakhs)

Particulars	Gross Block (At Cost)				Depreciation (Including Amortisation)				(Net Block)
	Balance As at 1st April, 2023	Additions During the year	Deductions During the year	Balance As at 31st March, 2024	Balance As at 1st April, 2023	For the Year	Deductions During the year	Balance As at 31st March, 2024	As At 31st March, 2024
Computer software	785	150	-	935	657	78	-	735	200
Trademark	10	-	-	10	10	0#	-	10	-
<b>TOTAL</b>	<b>795</b>	<b>150</b>	<b>-</b>	<b>945</b>	<b>667</b>	<b>78</b>	<b>-</b>	<b>745</b>	<b>200</b>

# ₹ 53,179

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

## INTANGIBLE ASSETS AS AT 31ST MARCH, 2023

(₹ in Lakhs)

Particulars	Gross Block (At Cost)			Depreciation (Including Amortisation)				(Net Block)	
	Balance As at 1st April, 2022	Additions During the year	Deductions During the year	Balance As at 31st March, 2023	Balance As at 1st April, 2022	For the Year	Deductions During the year	Balance As at 31st March, 2023	As At 31st March, 2023
Computer software	707	84	6	785	619	44	6	657	128
Trademark	10	-	-	10	8	2	-	10	0#
<b>TOTAL</b>	<b>717</b>	<b>84</b>	<b>6</b>	<b>795</b>	<b>627</b>	<b>46</b>	<b>6</b>	<b>667</b>	<b>128</b>

# ₹ 53,179

## NOTE NO. 4A - RIGHT OF USE ASSETS

The Company has lease contracts for various item of land, buildings and vehicles in its operation. The Companies obligation under it leases are secured by the lessor title to the lease assets. Generally the Company is restricted from assigning and sub leasing the lease assets. There are no major lease contracts that include extension and termination options and variable lease payments. The effective rate of interest for lease liabilities is 8.70%.

Set out below are the carrying amounts of rights-of-use assets recognised and the movement during the period: (₹ in Lakhs)

Particulars	Land	Buildings	Vehicle	Total
As at 1st April, 2022	1,580	-	9	1,589
Addition	-	470	-	470
Less: Depreciation expenses	22	-	5	27
As at 31st March, 2023	1,558	470	4	2,032
Addition/(Deduction)- Net	-	(76)	-	(76)
Less: Depreciation expenses	22	-	4	26
As at 31st March, 2024	1,536	394	-	1,930

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period: (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	478	9
Addition/ (Deduction)- Net	-	470
Accretion of Interest (₹ 15,936)	0	5
Less: Payments	77	6
Closing Balance	401	478
Current	-	4
Non-Current	401	474

The following are the amounts recognised in profit and loss :

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Depreciation expenses of right of use assets*	26	27
Interest expenses on lease liabilities (₹ 15,936)	0	1
Expenses relating to short term lease and low value leased (included in other expenses)	1,233	1,115
Total amount recognised in profit and loss	1,259	1,142

The Company had total cash outflow for lease of ₹ 1,310 lakhs in 31st March, 2024 ( Previous Year ₹ 1,121 lakhs)

\* Including depreciation capitalised ₹ 8 lakhs (Previous Year ₹ 8 lakhs)

## NOTE NO.5 INVESTMENTS ( NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
<b>A Investments at Cost</b>				
<b>Unquoted</b>				
<b>a) Investment in Equity Shares</b>				
(Fully paid up Shares)				
National Stock Exchange of India Limited of ₹1 each	4,14,000	10,110	1,84,000	3,310
BDR Pharmaceuticals International Pvt. Limited of ₹10 each	725	993	725	993
Care Health Insurance Limited of ₹10 each	4,78,795	1,015	4,78,795	1,015
		<b>12,118</b>		<b>5,318</b>

**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.5 INVESTMENTS ( NON-CURRENT)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
<b>b) Investment in Preference Shares</b>				
<b>Unquoted</b>				
7.15 % Preference Shares of Tata Capital Limited of ₹ 1,000 each	-	-	2,00,000	2,000
0.001% Series C Compulsorily Convertible Non Cumulative Preference Shares of Vay Network Services Pvt Limited of ₹ 2 each	11,190	94	11,190	94
0.0001% Series A & B Compulsorily Convertible Non Cumulative Preference Shares of Newspace Research & Technology Pvt Limited of ₹10 each	2,45,120	1,275	2,25,120	1,123
0.01% Series B Compulsorily Convertible Non Cumulative Preference Shares of Bombinate Technologies Pvt Limited of ₹100 each	602	500	602	500
0.01% Series A Compulsorily Convertible Non Cumulative Preference Shares of Altigreen Propulsion Labs Pvt Limited of ₹ 100 each	1,356	200	1,356	200
0.001% Series A Compulsorily Convertible Non Cumulative Preference Shares of Globalbees Brands Pvt Limited of ₹ 5 each	104	528	104	528
0.01% Series A1 Non Cumulative Fully Mandatorily Compulsorily Convertible Preference Shares of BDR Pharmaceuticals International Pvt Limited of ₹ 20 each	369	505	-	-
Non convertible non cumulative redeemable preference shares Music Broad cast of ₹10 each	30,000	30	30,000	30
		<b>3,132</b>		<b>4,475</b>
<b>B Investment carried at amortised cost</b>				
<b>Unquoted</b>				
<b>a) Investment in Preference Shares</b> (Fully paid up Shares)				
7.50 % Preference Shares of Tata Capital Limited of ₹ 1,000 each	-	-	2,00,000	2,006
				<b>2,006</b>
<b>Quoted</b>				
<b>b) Investment in Tax Free Bonds</b>				
7.07 % NABARD Tax Free Bonds of ₹ 10,00,000 each	550	5,560	550	5,591
7.14 % NHAI Tax Free Bond of ₹ 1,000 each	2,85,698	2,874	2,85,698	2,884
7.36% IIFC Tax Free Bond of ₹ 1,000 each	4,00,000	4,113	4,00,000	4,144
		<b>12,547</b>		<b>12,619</b>
<b>c) Investment in Government Bonds</b>				
7.18% Government of India Sovereign Bond ₹ 100 each	15,00,000	1,478	-	-
		<b>1,478</b>		<b>-</b>
<b>d) Investment in Perpetual Bonds</b>				
8.50 % SBI Perpetual Bond of ₹ 10,00,000 each	-	-	200	2,000
8.75 % SBI Perpetual Bond of ₹ 10,00,000 each	-	-	290	2,912
7.55 % SBI Perpetual Bond of ₹ 1,00,00,000 each	5	497	5	495
8.70 % BOB Perpetual Bond of ₹ 10,00,000 each	-	-	700	6,998
8.25 % BOB Perpetual Bond of ₹ 10,00,000 each	450	4,490	450	4,483
8.50 % BOB Perpetual Bond of ₹ 10,00,000 each	480	4,800	480	4,800
8.15 % BOB Perpetual Bond of ₹ 10,00,000 each	50	501	50	502
8.70 % HDB Perpetual Bond of ₹ 10,00,000 each	50	503	50	503
		<b>10,791</b>		<b>22,693</b>
<b>C Investment carried at fair value through Profit and Loss</b>				
<b>a) Investment in Non Convertible Debenture</b>				
<b>Quoted:</b>				
Nuvama Wealth Limited of ₹ 1,00,000 each	500	478	-	-
Shriram Finance Limited of ₹ 10,00,000 each	-	-	50	519
Shriram Finance Limited of ₹ 1,00,000 each	500	514	-	-
MAS Financial Services Limited of ₹ 10,00,000 each	-	-	100	1,018
S K Fincorp Limited of ₹ 10,00,000 each	-	-	150	1,613

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.5 INVESTMENTS ( NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
Tata Capital Limited (erstwhile Tata Cleantech Capital Limited) of ₹ 10,00,000 each	100	1,089	100	1,012
L&T Finance Limited of ₹ 10,00,000 each	250	2,711	250	2,498
Motilal Oswal Finvest Limited of ₹ 10,00,000 each	-	-	100	1,021
Alpha Alternatives Financial Services Private Limited of ₹ 1,00,000 each	424	508	-	-
360 One Prime Limited (erstwhile IIFL Wealth Prime Limited ) of ₹ 1,00,000 each	1,000	1,077	500	500
		<b>6,377</b>		<b>8,181</b>
<b>Unquoted:</b>				
Avendus Finance Pvt Limited of ₹ 10,00,000 each	300	3,037	-	-
Tenshi Pharmaceuticals Private Limited of ₹ 10,00,000 each	125	1,293	-	-
		<b>4,330</b>		<b>-</b>
<b>Unquoted:</b>				
<b>b) Investment in Alternate Investment Fund</b>				
360 One (erstwhile IIFL) Special Opportunities Fund Series 7 of ₹10 each	3,67,27,003	7,180	3,67,27,003	5,772
360 One (erstwhile IIFL) India Private Equity Fund Series 1A of ₹10 each	46,03,432	651	46,03,432	440
360 One (erstwhile IIFL) Special Opportunities Fund Series 8 of ₹10 each	46,24,798	637	46,24,798	557
360 One (erstwhile IIFL) Special Opportunities Fund of Fund 1 of ₹10 each	90,27,646	1,149	90,27,646	1,140
360 One (erstwhile IIFL) Special Opportunities Fund Series 10 of ₹ 10 each	49,66,529	660	49,66,529	526
360 One Commercial Yield Fund of ₹ 10 each	95,06,313	1,053	-	-
BPEA Credit India Fund III of ₹ 100 each	11,47,500	1,234	7,27,500	738
Chirate Ventures India Fund IV of ₹ 1,00,000 each	853	1,259	750	1,165
TVS Shriram Growth Fund 3 of ₹ 1,000 each	1,15,214	1,865	1,14,513	1,760
Influxor Technology IX of ₹ 1,00,000 each	291	291	196	204
Blume Venture Fund IX of ₹ 100 each	5,00,000	996	5,00,000	1,033
Blume Venture Fund IV of ₹ 100 each	2,15,000	216	1,50,000	175
Xponentia Opportunities Fund of ₹ 1,00,000 each	399	668	399	598
Avendus Future Leader Fund II of ₹ 1,00,000 each	415	435	298	288
Multiple Pvt Equity Fund III of ₹ 100 each	4,65,209	507	3,58,435	451
Multiple Pvt Equity Fund IV of ₹ 100 each	73,610	72	-	-
Six Sense India Opportunity of ₹ 1,000 each	2,00,000	2,378	1,70,000	1,860
3One4 Capital - Fund III of ₹ 1,00,000 each	1,500	1,230	1,500	1,392
Trifecta Venture Debt Fund III of ₹ 100 each	18,38,200	1,886	13,48,200	1,418
Sageone - Flagship Growth 2 Fund ₹ 1,000 each	97,836	1,397	97,836	861
White Oak India Equity Fund V ₹ 10 each	99,46,812	1,250	99,46,812	928
Alchemy Leaders Of Tomorrow Fund ₹ 100 each	9,26,916	1,379	9,26,916	866
Avendus Structure Credit Fund II of ₹ 1,00,000 each	1,191	1,259	906	906
Innoven Capital India Fund of ₹ 100 each	8,00,000	810	7,00,000	726
Fireside Venture Investment Fund III of ₹1,00,000 each	120	106	60	60
ASK Golden Decade Fund of ₹100 each	1,46,028	1,829	1,46,028	1,410
Alphamine Absolute Return Fund of ₹ 100 each	4,99,975	535	-	-
Lighthouse India Fund IV of ₹ 1,00,000 each	211	211	-	-
Altacura AI Absolute Return Fund of ₹ 100 each	5,00,000	519	-	-
Alpha Alterntiave MSAR LLP of ₹100 each	-	-	9,99,950	1,022
JM Financial Credit Opportunities Fund - I of ₹ 1,00,000 each	736	747	-	-
Alteria Capital Fund II of ₹ 100 each	15,96,081	1,602	20,00,000	2,051
		<b>36,012</b>		<b>28,348</b>

**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.5 INVESTMENTS ( NON-CURRENT)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
<b>c) Investment in Mutual fund</b>				
<b>Quoted:</b>				
Bharat Bond ETF April 2030 of ₹ 1,000 each	10,00,000	13,565	10,00,000	12,535
Bharat Bond ETF April 2031 of ₹ 1,000 each	17,50,233	21,237	17,50,233	19,533
Bharat Bond ETF April 2033 of ₹ 1,000 each	2,99,985	3,331	2,99,985	3,048
		<b>38,133</b>		<b>35,116</b>
<b>Unquoted:</b>				
Edelweiss Bharat Bond FOF April 2032 of ₹ 10 each	2,96,92,960	3,370	2,96,92,960	3,106
Edelweiss CRISIL IBX 50:50 Gilt Plus SDL April 2037 Index Fund of ₹ 10 each	4,15,29,107	4,766	4,15,29,107	4,349
		<b>8,136</b>		<b>7,455</b>
<b>d) Investment in Equity instruments</b>				
<b>Quoted</b>				
Cube Highway Trust INVIT of ₹100 each	6,00,000	612	-	-
		<b>612</b>		<b>-</b>
<b>Total Non-Current Investments</b>		<b>1,33,666</b>		<b>1,26,211</b>
Aggregate amount of quoted investments and market value thereof		69,938		78,609
Aggregate amount of unquoted investments		63,728		47,602

**NOTE NO.6 OTHER FINANCIAL ASSETS (NON-CURRENT)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Derivative Assets	13,147	6,926
Security Deposits	1,805	1,906
Bank deposits more than 12 month maturity		
In Margin	556	544
Fixed deposits (Current Year ₹ 5,097; Previous Year ₹ 5,097)	0	0
	<b>15,508</b>	<b>9,376</b>

**NOTE NO.7 INCOME TAX ASSETS(NET)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance Payments of Taxes and Tax deducted at source(Net of Provisions)	1,012	-
	<b>1,012</b>	<b>-</b>

**NOTE NO.8 OTHER NON-CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Capital Advances	27,573	28,516
(b) Others loans and advances		
VAT/Service Tax Receivable	66	108
Prepaid expenses	32	195
	<b>27,671</b>	<b>28,819</b>

**NOTE NO.9 INVENTORIES**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(At lower of Cost and Net Realisable Value)		
(a) Raw materials	52,251	85,371
(b) Work-in-Progress	17,272	15,230
(c) Finished Goods	44,710	42,446
(d) Stock-in-Trade	7,896	8,912
(e) Stores and Spares	10,016	13,266
(f) Others -Packing Materials and Fuel	1,008	1,512
	<b>1,33,153</b>	<b>1,66,737</b>

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.10 INVESTMENTS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
<b>A Investment at Cost</b>				
<b>Investment in Preference Shares at Cost</b>				
<b>Unquoted</b>				
(Fully paid up Shares)				
7.15 % Preference Shares of Tata Capital Limited of ₹ 1,000 each	2,00,000	2,000	-	-
		2,000		-
<b>B Investment carried at fair value through Profit and Loss</b>				
<b>Quoted</b>				
<b>a) Investment in Non Convertible Debenture /Market Link Debentures</b>				
Shriram Finance Limited of ₹10,00,000 each	270	2,940	293	3,364
Shriram Finance Limited of ₹ 1,00,000 each	2,500	2,505	-	-
Muthoot Capital Services Limited of ₹ 10,00,000 each	1,000	1,129	-	-
Avanse Financial Services Limited of ₹ 10,00,000 each	150	1,608	-	-
Asirvad Microfinance Limited of ₹ 10,00,000 each	200	2,257	-	-
Belstar Microfinance Limited of ₹ 10,00,000 each	130	1,555	-	-
JM Financial Credit Solutions Limited of ₹ 10,00,000 each	50	502	-	-
Krazybee Services Private Limited of ₹ 1,00,000 each	1,200	1,199	-	-
Spandana Sphoorty Financial Limited of ₹ 1,00,000 each	1,000	988	-	-
Vivriti Capital Limited of ₹ 10,00,000 each	100	1,095	-	-
Svatantra Microfin Pvt Limited of ₹ 4,37,500 each	-	-	200	874
REC Limited of ₹ 10,00,000 each	-	-	353	4,037
Fullerton India Credit Company Limited of ₹10,00,000 each	-	-	197	2,165
Tata International Limited of ₹ 10,00,000 each	-	-	100	1,003
S K Fincorp Limited of ₹ 5,00,000 each	229	1,149	-	-
S K Fincorp Limited of ₹ 10,00,000 each	150	1,753	-	-
Motilal Oswal Finvest Limited of ₹ 10,00,000 each	100	1,093	-	-
HDB Financial Services Limited of ₹ 10,00,000 each	150	1,515	-	-
MAS financial Limited of ₹ 1,00,000 each	100	1,118	150	1,616
		22,406		13,059
<b>Unquoted</b>				
Avenues Finance Pvt Limited of ₹10,00,000 each	100	1,009	250	2,899
		1,009		2,899
<b>Quoted</b>				
<b>b) Investment in Equity instruments</b>				
Music Broadcast Limited of ₹ 1 each	-	-	2,00,000	22
MindSpace Business Park REIT of ₹ 10 each	2,52,800	873	2,52,800	827
Nation Highways Infra Trust INVIT of ₹101 each	18,00,000	2,272	10,00,000	1,097
India Infrastructure Trust INVIT	10,00,000	920	10,00,000	920
Power Grid INVIT of ₹100 each	-	-	9,96,100	1,220
Nexus Select Trust REIT	9,93,510	1,269	-	-
India Grid Trust INVIT of ₹ 100 each	9,31,679	1,237	-	-
Bharat Highways INVIT of ₹ 100 each	16,15,922	1,778	-	-
NDR INVIT of ₹ 100 each	10,00,000	1,013	-	-
Intelligent Supply Chain Infrastructure Trust INVIT	22,00,000	2,239	-	-
		11,601		4,086

**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.10 INVESTMENTS (CURRENT)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
<b>c) In Mutual Fund</b>				
<b>Quoted</b>				
ICICI Mutual Fund ETF ICICI Nifty 50 of ₹ 10 each	1,78,544	439	1,78,544	337
Nippon India Mutual Fund ETF Nifty Bees of ₹ 1 each	59,24,021	14,630	57,62,412	10,940
Nippon India Mutual Fund ETF Silver Bees of ₹ 10 each	17,951	13	17,951	13
Nippon India Mutual Fund ETF Gold Bees of ₹ 1 each	54,29,531	3,074	50,56,531	2,582
ICICI Prudential Gold ETF of ₹ 1each	9,17,000	536	-	-
Motilal Oswal Mutual Fund Nasdaq 100 ETF of ₹ 1 each	-	-	18,14,445	1,894
		<b>18,692</b>		<b>15,766</b>
<b>Unquoted</b>				
Aditya Birla Sun Life Liquid Fund of ₹ 100 each	-	-	2,79,030	1,013
Aditya Birla Sun Life Arbitrage Fund of ₹ 10 each	20,94,040	545	20,94,040	503
Axis Liquid Fund of ₹ 1,000 each	-	-	72,261	1,807
Axis Arbitrage Fund of ₹ 10 each	28,38,461	525	-	-
Motilal Oswal Nasdaq fund of fund 100 ETF of ₹ 10 each	-	-	2,96,141	66
HDFC Liquid Fund of ₹ 1,000 each	-	-	34,129	1,510
HDFC Arbitrage Fund of ₹ 10 each	73,95,878	1,358	-	-
ICICI Prudential Liquid Fund of ₹ 100 each	1,40,239	501	3,00,315	1,001
ICICI Prudential Gilt Fund of ₹10 each	6,37,519	633	6,37,519	579
ICICI Prudential Saving Fund of ₹ 100 each	-	-	1,09,030	504
ICICI Prudential PSU Equity Fund of ₹ 10 each	61,87,809	1,197	-	-
ICICI Prudential Multi Assets Fund of ₹ 100 each	3,54,013	2,450	-	-
ICICI Prudential Equity Saving Fund of ₹ 10 each	24,38,902	527	-	-
ICICI Prudential Pharma Healthcare and Diagnostic Fund of ₹ 10 each	15,42,657	497	-	-
ICICI Prudential Manufacturing Fund of ₹ 10 each	15,84,205	511	-	-
SBI Magnum Gilt Fund Long Term Plan of ₹ 1,000 each	2,66,96,984	16,854	2,66,96,984	15,422
SBI Magnum Liquid Fund of ₹ 1,000 each	-	-	14,390	507
SBI Magnum Income Fund of ₹10 each	19,56,921	1,342	19,56,921	1,237
SBI Arbitrage Fund of ₹ 10 each	35,81,994	1,173	-	-
SBI Banking & PSU Fund of ₹ 10 each	14,39,626	522	-	-
UTI Arbitrage Fund of ₹ 10 each	36,48,497	1,238	-	-
UTI Liquid Fund of ₹ 1,000 each	-	-	29,857	1,102
Tata Arbitrage Fund of ₹ 10 each	71,08,575	976	39,70,419	503
Tata Money Market Fund of ₹ 1,000 each	11,481	501	-	-
Mirae Assets Cash Management Fund of ₹ 1,000 each	-	-	21,050	500
Mirae Assets Arbitrage Fund of ₹ 10 each	83,67,782	1,029	-	-
Mirae Assets Ultra Short term Fund of ₹ 1,000 each	41,680	501	-	-
Invesco Arbitrage Fund of ₹ 10 each	67,35,197	2,113	17,43,495	505
Sundaram Liquid Fund of ₹ 1,000 each	-	-	35,306	702
Bajaj Finserv Liquid Fund of ₹ 1,000 each	47,580	501	-	-
Kotak Arbitrage Fund of ₹ 10 each	56,29,436	2,049	-	-
Kotak Money Market Fund of ₹ 1,000 each	24,334	1,003	-	-
Edelweiss Arbitrage Fund of ₹ 10 each	83,60,078	1,581	-	-
Bandhan Liquid Fund of ₹ 1,000 each	17,181	501	-	-
Nippon India Arbitrage Fund of ₹ 10 each	39,42,793	1,030	-	-
Nippon India Nivesh Lakshya Fund of ₹ 10 each	8,66,67,201	14,269	8,66,67,201	12,982
		<b>55,927</b>		<b>40,443</b>

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.10 INVESTMENTS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
<b>d) Investment in Alternate Investment Fund</b>				
<b>Unquoted</b>				
360 One India Housing Fund 3 of ₹ 10 each	2,00,74,517	2,534	-	-
		2,534		-
<b>C Investment carried at amortised cost</b>				
<b>Quoted</b>				
<b>a) Investment in Perpetual Bond</b>				
11.03% Tata Motors Fin Ltd Perpetual Bond of ₹ 10,00,000 each	-	-	20	201
8.70 % BOB Perpetual Bond of ₹ 10,00,000 each	700	6,999	-	-
9.10 % Tata International Perpetual Bond of ₹ 10,00,000 each	135	1,350	-	-
9.56 % SBI Perpetual Bond of ₹ 10,00,000 each	-	-	100	1,006
8.75 % SBI Perpetual Bond of ₹ 10,00,000 each	290	2,903	-	-
8.50 % SBI Perpetual Bond of ₹ 10,00,000 each	200	2,000	-	-
		13,252		1,207
<b>Unquoted</b>				
<b>b) Investment in Preferential share</b>				
7.50 % Preference Shares of Tata Capital Limited of ₹ 1,000 each	2,00,000	2,001	-	-
		2,001		-
<b>c) Investment in Commercial Paper</b>				
<b>Quoted</b>				
Motilal Oswal Finvest Limited of ₹ 5,00,000 each	600	2,985	-	-
		2,985		-
<b>Unquoted</b>				
Aventus Finance Pvt Limited of ₹ 5,00,000 each	100	498	-	-
Nuvama Wealth Finance Limited of ₹ 5,00,000 each	400	1,994	-	-
		2,492		-
<b>Total Current Investments</b>		1,34,899		77,460
Aggregate amount of quoted investments and Market value thereof		68,936		34,118
Aggregate amount of Unquoted investments		65,963		43,342

## NOTE NO.11 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade receivable Considered good - Unsecured	1,44,543	1,11,527
	1,44,543	1,11,527

## NOTE NO.12 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks	7,438	6,547
Cash on hand	24	33
Remittance in transit	-	350
	7,462	6,930

## NOTE NO.13 OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unpaid Dividend	301	316
Margin Money ( Including Fixed Deposit) #	237	387
	538	703



**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**

#(Held against guarantee and other commitments)

**NOTE NO.14 LOANS**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured</b>		
<b>Loans and advances to other than related parties</b>		
Loans receivable - Considered good	-	-
Loans receivable which have significant increase in credit risk	1,242	1,292
Loans receivable - Credit impaired	-	-
	<b>1,242</b>	<b>1,292</b>
Less: Provision for loans which have significant increase in credit risk	1,242	1,292
	-	-
Loans and advances to employees (considered good)	675	380
	<b>675</b>	<b>380</b>

**NOTE NO.15 OTHER FINANCIAL ASSETS (CURRENT)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Derivative Assets	5,148	3,472
Interest accrued on Investments	1,322	1,356
Interest accrued on Deposits and Loans	94	56
Dividend/Income accrued on Investments	336	153
Security Deposit	55	96
	<b>6,955</b>	<b>5,133</b>

**NOTE NO.16 OTHER CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance Payment to Suppliers	20,033	6,467
GST/Excise/Sales Tax/Custom Duty etc. Receivables	14,038	15,477
Prepaid Expenses	2,110	1,981
	<b>36,181</b>	<b>23,925</b>

**NOTE NO.17 SHARE CAPITAL**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Authorised :</b>		
44,50,00,000 Equity Shares of ₹ 2 each	8,900	8,900
20,00,000 Redeemable Preference Shares of ₹ 10 each	200	200
	<b>9,100</b>	<b>9,100</b>
<b>Issued Subscribed and fully paid up:</b>		
19,33,17,190 Equity Shares of ₹ 2 each fully paid up	3,866	3,866
	<b>3,866</b>	<b>3,866</b>

Terms/rights attached to equity shares:

All the Equity Shares have equal rights in respect of distribution of dividends and the repayment of capital.

**Reconciliation of number of Equity shares outstanding at the beginning and end of the year :**

Equity Share :	As at 31st March, 2024		As at 31st March, 2023	
	Number of Shares	Amount (Rs. In Lakhs)	Number of Shares	Amount (Rs. In Lakhs)
Balance at the beginning of the year	19,33,17,190	3,866	19,33,17,190	3,866
Balance at the end of the year	<b>19,33,17,190</b>	<b>3,866</b>	<b>19,33,17,190</b>	<b>3,866</b>

**Shareholder's holding more than 5 % Shares in the Company**

Name of Shareholders	As at 31st March 2024		As at 31st March, 2023	
	Number of Shares	Holding (%)	Number of Shares	Holding (%)
VKP ENTERPRISES LLP	4,82,32,880	24.95	4,82,32,880	24.95
RAJIV A PODDAR	5,35,77,010	27.71	5,35,77,010	27.71

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

Shares held by the promoters and promoters group at the end of the year

Sr no	Name	No of shares	% of total shares	% Change during the year
1	Arvind M Poddar	1,000	0.00	-
2	Vijaylaxmi A Poddar	1,000	0.00	-
3	Rajiv A Poddar	5,35,77,010	27.71	-
4	Khushboo R Poddar	75,93,000	3.93	-
5	Shyamlata S Poddar	1,000	0.00	-
6	Rishab Poddar	27,90,180	1.44	-
7	TMP Enterprises LLP	4,93,360	0.26	-
8	VKP Enterprises LLP	4,82,32,880	24.95	-
9	RAP Enterprises LLP	250	0.00	-
10	AKP Enterprises LLP	250	0.00	-
11	Balgopal Holding & Traders Ltd	100	0.00	-
12	Poddar Brothers Investment Pvt Ltd	100	0.00	-
13	S P Investrade ( India) Limited	70	0.00	-
	<b>Total</b>	<b>11,26,90,200</b>	<b>58.29</b>	

## NOTE NO.18 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>a. Capital Reserve</b>		
Opening Balance	34	34
Add: Movement during the year	-	-
<b>Closing Balance</b>	<b>34</b>	<b>34</b>
<b>b. Other Reserve (General Reserve)</b>		
Opening Balance	4,80,000	4,40,000
Add: Transferred from Profit and Loss account	40,000	40,000
<b>Closing Balance</b>	<b>5,20,000</b>	<b>4,80,000</b>
<b>c. Retained earnings</b>		
Opening Balance	2,81,038	2,46,229
Add: Net Profit for the current year	1,47,149	1,05,740
Less: Interim Dividend	23,198	23,198
Less: Dividend on equity shares	7,732	7,733
Less: Transfer to General Reserve	40,000	40,000
<b>Closing Balance</b>	<b>3,57,257</b>	<b>2,81,038</b>
<b>d. Remeasurments of the net defined benefit plans</b>		
Opening Balance	(1,481)	(1,456)
Movement during the year	(59)	(25)
<b>Closing Balance</b>	<b>(1,540)</b>	<b>(1,481)</b>
<b>e. Effective portion of cash flow hedges</b>		
Opening Balance	(2,542)	7,915
Movement during the year	14,507	(10,457)
<b>Closing Balance</b>	<b>11,965</b>	<b>(2,542)</b>
<b>h. Foreign Currency translation reserve</b>		
Opening Balance	(5,222)	(3,287)
Movement during the year	(979)	(1,935)
<b>Closing Balance</b>	<b>(6,201)</b>	<b>(5,222)</b>
	<b>8,81,516</b>	<b>7,51,827</b>

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

### General reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

### Retained earnings

Retained earnings includes the Company's cumulative earnings and losses respectively.

### Remeasurements of the net defined benefit Plans

Remeasurements of defined benefit liability comprises actuarial gains and losses and return on plan assets (excluding interest income).

### Cash flow hedging reserve

The Group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale. For hedging foreign currency risk, the Group uses foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedge item affects profit/(loss) i.e., when the designated sale occurs.

### Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than ₹ is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

### NOTE NO.19 BORROWINGS (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured - At amortised cost</b>		
<b>Non Convertible Debentures</b>	15,000	50,000
Allotment of 5,000 rated, listed, unsecured, redeemable, non-convertible debentures of a face value of ₹ 10,00,000. The Interest rate coupon for the debenture is fixed @5.67% per annum for the entire tenure and will be payable semi-annually. In order to leverage the interest rate scenario and Euro receivable of the Company, the Company has swapped the Debentures liability to Euro fixed liability whereby the effective coupon for the Company will be 0.055% per annum. The repayment schedule will be in three instalment i.e ₹ 17,500 lakhs in April,2024, ₹ 17,500 lakhs in October,2024 and ₹ 15,000 lakhs in April,2025.		
<b>Deferred Payment Liabilities</b>	13	44
(Deferred Sales Tax under the scheme of Government of Maharashtra (Payable after ten years, from the date of respective loan, in five annual equal instalments)		
<b>Secured - At amortised cost</b>		
<b>External Commercial Borrowing</b>	54,131	53,765
External Commercial Borrowing of EURO 60 Million from SMBC (Singapore), the same is secured by first charge by way of hypothecation on all the movable assets of tyre plant of Bhuj, Gujarat. Rate of interest is 3 Months Euribor plus spread of 0.52%. The repayment is starting from December,2025 in six quarterly equal installments of euro 10 million each.		
	<b>69,144</b>	<b>1,03,809</b>

(Refer Note No. 48 for details of securities provided)

### NOTE NO.19A LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities	401	474
	<b>401</b>	<b>474</b>

### NOTE NO.20 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Distributors/Dealers Deposit	1	1
Derivative Liability	1,591	6,364
	<b>1,592</b>	<b>6,365</b>

### NOTE NO.21 PROVISIONS (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits		
Gratuity	2,556	2,211
Leave Encashment	472	434
Others	444	409
	<b>3,472</b>	<b>3,054</b>

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.22 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Net Deferred tax liabilities	34,900	24,185
	34,900	24,185

## NOTE NO.23 OTHER NON CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred Income (Export Incentive)	7,519	6,259
	7,519	6,259

## NOTE NO.24 BORROWINGS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Secured</b>		
From Banks	5,854	8,758
<b>Unsecured</b>		
Non-convertible Debentures	35,000	-
From Banks	1,99,514	2,21,573
From Others		
Current maturity of long term debt	31	35
	2,40,399	2,30,366

(Refer Note No. 48 for details of securities provided)

## NOTE NO.24A LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities	-	4
	-	4

## NOTE NO.25 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Trade Payables (including Acceptances) due to:</b>		
Total outstanding due of Micro and Small Enterprise	2,093	2,169
Total outstanding due of creditors Other than Micro and Small Enterprise	88,930	47,045
	91,023	49,214

(Refer Note No. 44 for Micro and Small Enterprise)

## NOTE NO.26 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued but not due	405	275
Unpaid Dividend	301	316
Other Payable (capital creditors)	14,205	13,795
Derivative liabilities	715	7,431
	15,626	21,817

## NOTE NO.27 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Income received in advance	6,435	5,434
Security Deposit	5,723	5,128
Statutory dues	6,395	22,292
	18,553	32,855

**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.28 PROVISIONS (CURRENT)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Provision for employee benefits</b>		
Leave encashment	443	426
	<b>443</b>	<b>426</b>

**NOTE NO.28A CURRENT TAX LIABILITIES (NET)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Income Tax Liabilities (Net)	-	245
	-	<b>245</b>

**NOTE NO.29 REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Sale of Products	9,30,437	9,64,616
Other Operating Revenue:		
Export Incentives	2,858	7,068
Scrap Sales	3,462	3,383
Others	130	886
	<b>6,450</b>	<b>11,337</b>
<b>Total Revenue from Operations</b>	<b>9,36,887</b>	<b>9,75,953</b>
<b>DISAGGREGATION OF REVENUE</b>		
Revenue based on Geography		
Export	6,75,373	7,59,039
Domestic #	2,61,514	2,16,914
<b>Total Revenue from operations</b>	<b>9,36,887</b>	<b>9,75,953</b>
# ( Including export incentive)		
<b>Reconciliation of Revenue from operations with contract price</b>		
Contract Price	9,65,437	9,92,124
Less:		
Sales returns	2,229	860
Sales Incentives and Bonus	21,438	12,236
Others	4,883	3,075
	<b>28,550</b>	<b>16,171</b>
<b>Total Revenue from operations</b>	<b>9,36,887</b>	<b>9,75,953</b>

The amounts receivable from customers become due after expiry of credit period which on an average is less than 45 days. There is no significant financing component in any transaction with the customers.

The Group provides performance warranty for its products. The amount of liability towards such warranty is not material.

**NOTE NO.30 OTHER INCOME**

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Interest Income on:		
Non Current Investments	3,564	3,518
Current Investments	548	26
Deposits/Loans and Advances/Income tax refund	627	99
	<b>4,739</b>	<b>3,643</b>
Net gain on foreign currency transaction and translation	17,230	22,420
Income from Non current Investment	1,200	1,199
Dividend Income on investments	522	404
Net gain on sale of Non Current Investments	(17)	6,500
Net gain on sale of Current Investments	1,979	505
Net mark to market gain/(loss) on investments	17,188	(1,762)
Profit on sale of Property Plant and Equipment	954	179
Withdrawal of Provision of Doubtful Loan	50	210
Other non-operating income	1,077	1,355
	<b>44,922</b>	<b>34,653</b>

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.31 COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Raw Material Consumed	4,40,445	4,80,419
	4,40,445	4,80,419

## NOTE NO.32 PURCHASE OF STOCK IN TRADE

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Purchase of Traded Goods	11,985	10,625
	11,985	10,625

## NOTE NO.33 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>Opening Stock :</b>		
Work-in-Progress	15,230	16,202
Stock in Trade	8,912	4,306
Finished Goods	42,446	46,567
	66,588	67,075
<b>Less :</b>		
<b>Closing Stock :</b>		
Work-in-Progress	17,271	15,230
Stock in Trade	7,896	8,912
Finished Goods	44,709	42,446
	69,876	66,588
	(3,288)	487

## NOTE NO.34 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Salaries and wages	45,879	42,103
Contribution to provident and other funds	2,949	2,733
Staff welfare expenses	1,123	1,107
	49,951	45,943

## NOTE NO.35 FINANCE COST\*

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Interest expenses	10,014	4,220
Other borrowing cost	270	245
Exchange difference regarded as an adjustment to borrowing cost	1,003	338
Interest on Lease Liability (₹ 15,936)	0	1
	11,287	4,804

\*Net of borrowing cost capitalised ₹ 2,254 lakhs (Previous year ₹ 2,031 lakhs). The rate used to determine the amount of borrowing cost eligible for capitalisation for current year and previous year was 9%.

## NOTE NO.36 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Depreciation and amortisation	65,054	57,062
Depreciation of Right-of-use assets	18	19
	65,072	57,081

**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.37 OTHER EXPENSES**

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Consumption of stores and spare parts	30,145	22,981
Packing material consumed	2,231	2,088
Power and fuel(Net)	30,475	33,917
Freight and forwarding	51,073	1,11,304
Labour/Job Charges	20,408	19,987
Water charges	1,027	939
Repairs and Maintenance to Plant & Machinery	4,102	1,712
Repairs and Maintenance to Building	4,415	4,519
Repairs and Maintenance to Others	1,933	1,383
Insurance Charges	3,138	2,715
Rates and Taxes excluding taxes on income	6,483	10,070
Rent	1,233	1,115
Legal and Professional charges	6,227	4,509
Advertisement, Publicity, Sales Promotion and Marketing Service expenses	38,211	39,118
Commission	563	521
Travelling Expenses	3,372	3,690
Directors Meeting Fees	54	29
Property plant and equipment Discarded	17	470
Interest to Others	58	28
Contribution towards CSR expenses	3,134	2,878
Investment written off	-	72
Miscellaneous expenses	3,958	3,723
	<b>2,12,257</b>	<b>2,67,768</b>

**NOTE NO.38**
**i) Tax Reconciliation**
**(a) The Income tax expense consists of the following:**

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Current income tax	40,602	34,922
Short/(Excess) provision of earlier year	503	225
Deferred tax expense	5,846	2,592
<b>Tax expense for the year</b>	<b>46,951</b>	<b>37,739</b>

**(b) Amounts recognised in other comprehensive income**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2024			Year ended 31st March, 2023		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expenses) /benefit	Net of tax
a) Items that will not be reclassified to profit or loss						
Remeasurement of post employment benefit obligations	(79)	20	(59)	(34)	8	(26)
b) Items that will be reclassified to profit or loss						
Effective portion of Cash flow hedges	19,387	(4,879)	14,508	(13,973)	3,516	(10,457)
c) Exchange difference on translation	(979)	-	(979)	(1,935)	-	(1,935)
	<b>18,329</b>	<b>(4,859)</b>	<b>13,470</b>	<b>(15,942)</b>	<b>3,524</b>	<b>(12,418)</b>

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

The reconciliation of estimated income tax expenses at statutory income tax rate to income tax expense reported in statement of Profit and loss is as follows:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Profit before tax	1,94,100	1,43,479
Indian statutory income tax rate	25.168%	25.168%
Expected income tax expenses	48,851	36,111
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expenses:-</b>		
Income exempt from income tax	(223)	(371)
Deduction under Income Tax Act.	(132)	(103)
Impact of differential tax rate	(1,964)	75
Permanent differences	436	1,618
Investment Written off	-	18
Others, Income tax of earlier years	(17)	391
<b>Total Income tax expenses</b>	<b>46,951</b>	<b>37,739</b>
<b>Effective Tax Rate</b>	<b>24.189%</b>	<b>26.303%</b>

## ii) Deferred Tax Disclosure

## (a) Movement in deferred tax balances

(₹ in Lakhs)

Particulars					As at 31st March, 2024
	Net balance as at 1st April, 2023	Recognised in profit or loss	Recognised in OCI	Others (including exchange difference)	Net Deferred tax assets / (liabilities)
Property, plant and equipment	(19,579)	(2,917)	-	-	(22,496)
Investments	(2,894)	(2,578)	-	-	(5,472)
Employee benefits	902	81	20	-	1,003
Cash Flow Hedge	854	-	(4,879)	-	(4,025)
Provision for Doubtful Advances	327	(12)	-	-	315
Others (Net)	(3,795)	(420)	-	(10)	(4,225)
<b>Deferred tax assets/ (liabilities)</b>	<b>(24,185)</b>	<b>(5,846)</b>	<b>(4,859)</b>	<b>(10)</b>	<b>(34,900)</b>

## (b) Movement in deferred tax balances

(₹ in Lakhs)

Particulars					As at 31st March, 2023
	Net balance as at 1st April, 2022	Recognised in profit or loss	Recognised in OCI	Others (including exchange difference)	Net Deferred tax assets / (liabilities)
Property, plant and equipment	(17,730)	(1,849)	-	-	(19,579)
Investments	(3,203)	309	-	-	(2,894)
Employee benefits	845	49	8	-	902
Cash flow hedge	(2,662)	-	3,516	-	854
Provision for Doubtful Advances	379	(52)	-	-	327
Others (Net)	(2,719)	(1,049)	-	(27)	(3,795)
<b>Deferred tax assets/ (liabilities)</b>	<b>(25,090)</b>	<b>(2,592)</b>	<b>3,524</b>	<b>(27)</b>	<b>(24,185)</b>

The group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.



**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT**
**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in Lakhs)

Particulars	As at 31st March, 2024							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>								
Cash and cash equivalents (Including other bank balances)	-	-	8,000	8,000	-	-	-	-
Mutual Fund	1,20,888	-	-	1,20,888	56,825	64,063	-	1,20,888
Debentures	34,122	-	-	34,122	28,783	5,339	-	34,122
Equities	12,213	-	-	12,213	12,213	-	-	12,213
Loans	-	-	675	675	-	-	-	-
Trade receivables	-	-	1,44,543	1,44,543	-	-	-	-
Other financial assets	-	-	2,308	2,308	-	-	-	-
Foreign exchange forward contracts	-	18,295	-	18,295	-	18,295	-	18,295
Preference shares, bonds and commercial papers	-	-	45,546	45,546	-	-	-	-
Alternate Investment Fund	38,545	-	-	38,545	-	38,545	-	38,545
Security deposit	-	-	1,860	1,860	-	-	-	-
<b>TOTAL</b>	<b>2,05,768</b>	<b>18,295</b>	<b>2,02,932</b>	<b>4,26,995</b>	<b>97,821</b>	<b>1,26,242</b>	<b>-</b>	<b>2,24,063</b>
<b>Financial liabilities</b>								
Long term borrowings (Including current maturity of Long term borrowings)	-	-	1,04,175	1,04,175	-	-	-	-
Other financial liabilities	-	-	15,313	15,313	-	-	-	-
Short term borrowings	-	-	2,05,368	2,05,368	-	-	-	-
Trade payables	-	-	91,023	91,023	-	-	-	-
Foreign exchange forward contracts	-	2,306	-	2,306	-	2,306	-	2,306
<b>TOTAL</b>	<b>-</b>	<b>2,306</b>	<b>4,15,879</b>	<b>4,18,185</b>	<b>-</b>	<b>2,306</b>	<b>-</b>	<b>2,306</b>

(₹ in Lakhs)

Particulars	As at 31st March, 2023							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets:</b>								
Cash and cash equivalents (Including other bank balances)	-	-	7,633	7,633	-	-	-	-
Mutual Fund	98,780	-	-	98,780	50,882	47,898	-	98,780
Debentures	24,139	-	-	24,139	21,240	2,899	-	24,139
Equities	4,086	-	-	4,086	4,086	-	-	4,086
Loans	-	-	380	380	-	-	-	-
Trade receivables	-	-	1,11,527	1,11,527	-	-	-	-
Other financial assets	-	-	2,109	2,109	-	-	-	-
Foreign exchange forward contracts	-	10,398	-	10,398	-	10,398	-	10,398
Preference shares and bonds	-	-	38,525	38,525	-	-	-	-
Alternate Investment Fund	28,347	-	-	28,347	-	28,347	-	28,347
Security deposit	-	-	2,002	2,002	-	-	-	-
<b>TOTAL</b>	<b>1,55,352</b>	<b>10,398</b>	<b>1,62,176</b>	<b>3,27,926</b>	<b>76,208</b>	<b>89,542</b>	<b>-</b>	<b>1,65,750</b>

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

(₹ in Lakhs)

Particulars	As at 31st March, 2023							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial liabilities</b>								
Long term borrowings (Including current maturity of Long term borrowings)	-	-	1,03,844	1,03,844	-	-	-	-
Other financial liabilities	-	-	14,865	14,865	-	-	-	-
Short term borrowings	-	-	2,30,331	2,30,331	-	-	-	-
Trade payables	-	-	49,214	49,214	-	-	-	-
Foreign exchange forward contracts	-	13,795	-	13,795	-	13,795	-	13,795
<b>TOTAL</b>	-	13,795	3,98,254	4,12,049	-	13,795	-	13,795

Fair values for financial instruments carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

**B. Measurement of fair values**

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Level 1 Hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

**Transfers between Levels**

There have been no transfers between Levels during the reporting periods

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

**Financial instruments measured at fair value**

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
<b>Level: 2</b>			
Forward contracts	Market valuation techniques: The Company has used discounted mark to market of forward contracts using current forward rates for remaining tenure of the forward contract as provided by respective banks.	Not applicable	Not applicable
Alternate Investment Fund	Net Asset value	Not applicable	Not applicable
<b>Level: 1 and Level: 2</b>			
Mutual Fund/Debentures	Net Asset value	Not applicable	Not applicable

**C. Financial risk management**

The group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

**i. Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The board of directors is responsible for developing and monitoring the Company risk management policies.

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities. The group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

### ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities, cash and cash equivalents, mutual funds, bonds etc.

The carrying amount of financial assets represents the maximum credit exposure.

#### Trade receivables

Around 72% of the sales are export sales. For major part of the sales, customer credit risk is managed by requiring domestic and export customers to pay advances before transfer of ownership, therefore substantially eliminating the Group's credit risk in this respect.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required for credit risk wherever credit is extended to customers.

#### Impairment

Provision for doubtful debts movement	(₹ in Lakhs)
Balance as at 1st April, 2022	-
Impairment loss recognised	2
Amounts written off	2
Balance as at 31st March, 2023	-
Impairment loss recognised	100
Amounts written off	100
Balance as at 31st March, 2024	-

#### Concentration of credit risk

At 31st March 2024, the carrying amount of the Group's most significant customers is ₹ 32,068 lakhs (31st March, 2023: ₹ 30,559 lakhs)

#### Loan to others

The credit worthiness of the counter party is evaluated by the management on an ongoing basis and necessary provisions are made wherever needed. The group had made the provision for doubtful loans in earlier years of ₹ 1,650 lakhs. Till 31st March, 2024 the group had recovered ₹ 408 lakhs against this doubtful loan and as such the provision for such doubtful loan is reduced to ₹ 1,242 lakhs as on 31st March, 2024. The group has no collateral in respect of said loan.

#### Investment in debentures and preference share

The group does not perceive any risk as these are issued by reputed financial institution.

#### Investment in mutual funds and bonds

The investment in mutual funds, Government bonds are entered into with credit worthy fund houses, Government of India and financial institution. The credit worthiness of these counter parties are evaluated by the management on an ongoing basis and is considered to be good. The Group does not expect any losses from non-performance by these counter-parties.

#### Derivatives

The derivatives are entered into with bank counter parties with good credit ratings.

#### Cash and cash equivalents

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Investment of surplus funds are made mainly in Bonds and mutual funds with good returns and within approved credit ratings.

### iii. Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the group's reputation.

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

The group has obtained fund and non-fund based working capital lines from various banks. The group also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility

As of 31st March, 2024 the group had working capital of ₹ 98,362 lakhs, including cash and cash equivalents of ₹ 7,462 lakhs and highly marketable current investments of ₹ 1,34,899 lakhs.

As of 31st March, 2023 the group had working capital of ₹ 57,868 lakhs, including cash and cash equivalents of ₹ 6,930 lakhs and highly marketable current investments of ₹ 77,460 lakhs.

**Exposure to liquidity risk**

The table below analyses the group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

\* all non derivative financial liabilities

\* net and gross settled derivative financial instruments for which the contractual maturities are essential for the understanding of the timing of the cash flow

(₹ in Lakhs)

As at 31st March, 2024	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
<b>Non-Current</b>						
Secured Long term loans and borrowings	54,131	54,131	-	18,044	36,087	-
Unsecured Long term loans and borrowings	50,044	50,044	35,031	15,013	-	-
Other financial liabilities	1	1	-	-	1	-
<b>Current</b>						
Secured Short term loans and borrowings	5,854	5,854	5,854	-	-	-
Unsecured Short term loans and borrowings	1,99,514	1,99,514	1,99,514	-	-	-
Trade payables	91,023	91,023	91,023	-	-	-
Other payable (Capital creditors)	14,205	14,205	14,205	-	-	-
Unpaid Dividend	301	301	301	-	-	-
Interest accrued but not due	405	405	405	-	-	-
<b>Derivative financial liabilities</b>						
<b>Non-Current</b>						
Foreign exchange forward contract	1,591	1,591	-	682	909	-
<b>Current</b>						
Foreign exchange forward contract	715	715	715	-	-	-

(₹ in Lakhs)

As at 31st March, 2023	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
<b>Non-current</b>						
Secured Long term loans and borrowings	53,765	53,765	-	-	53,765	-
Unsecured Long term loans and borrowings	50,079	50,079	35	35,031	15,013	-
Other financial liabilities	1	1	-	-	1	-
<b>Current</b>						
Secured Short term loans and borrowings	8,758	8,758	8,758	-	-	-
Unsecured Short term loans and borrowings	2,21,573	2,21,573	2,21,573	-	-	-

**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**

(₹ in Lakhs)

As at 31st March, 2023	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	More than 5 years
Trade payables	49,214	49,214	49,214	-	-	-
Other payable (Capital creditors)	13,795	13,795	13,795	-	-	-
Unpaid Dividend	316	316	316	-	-	-
Interest accrued but not due	275	275	275	-	-	-
<b>Derivative financial liabilities</b>						
<b>Non-Current</b>						
Foreign exchange forward contract	6,364	6,364	-	2,101	4,263	-
<b>Current</b>						
Foreign exchange forward contract	7,431	7,431	7,431	-	-	-

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

**iv. Market risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates ) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

**a) Currency risk**

The group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchase, other expenses and borrowings are denominated and the functional currency of the group. The functional currency of the group is Indian Rupees (₹) The currencies in which these transactions are primarily denominated are EURO and USD.

At any point in time, the group generally hedges its estimated foreign currency exposure in respect of forecast sales over the forthcoming financial years in advance. The group primarily uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges.

The group, as per its risk management policy, uses foreign exchange forward contracts and derivatives to hedge foreign exchange. The group does not use derivative financial instruments for trading or speculative purposes.

Following is the derivative financial instruments to hedge the foreign exchange rate risk as at 31st March, 2024

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of highly probable forecasted sales transactions	Forward contract	USD	INR	308 million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	INR	233 million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	USD	284 million	Sell
Hedges of highly probable forecasted purchases transactions	Forward contract	USD	INR	51 million	Buy
Cross currency swap	Currency swap	INR	EUR	57 million	*
Derivative	Derivative	EUR	USD	57 million	Buy
Derivative	Derivative	EUR	INR	30 million	Sell
Derivative	Derivative	USD	INR	88 million	Sell

\*NCD liability of ₹ 500 Crores has been swapped to Euro - equivalent to 57 million Euros

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

Following is the derivative financial instruments to hedge the foreign exchange rate risk as at 31st March, 2023

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of highly probable forecasted sales transactions	Forward contract	USD	INR	308 million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	INR	233 million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	USD	284 million	Sell
Hedges of highly probable forecasted purchases transactions	Forward contract	USD	INR	51 million	Buy
Cross currency swap	Currency swap	INR	EUR	57 million	*
Derivative	Derivative	EUR	USD	57 million	Buy

\*NCD liability of ₹ 500 Crores has been swapped to Euro - equivalent to 57 million Euros

## Exposure to currency risk

The summary quantitative data about the group's exposure to currency risk as reported to the management of the group is as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	EUR	USD	Others	EUR	USD	Others
<b>Financial assets (A)</b>						
Trade receivables	80,384	51,226	173	68,901	43,590	114
Cash and cash equivalent	4,381	2,498	126	3,683	2,199	196
Security Deposits	5	-	-	5	-	-
Loans	-	-	-	-	-	1
<b>Total (A)</b>	<b>84,770</b>	<b>53,724</b>	<b>299</b>	<b>72,589</b>	<b>45,789</b>	<b>311</b>
<b>Financial liabilities (B)</b>						
Secured Loans	56,400	3,585	-	58,494	4,029	-
Unsecured Loans	2,41,152	-	-	2,47,621	-	24
Interest on loans	405	-	-	275	-	-
Trade payables	33,366	12,438	330	23,610	14,127	619
Other - Capital Creditor	869	8,510	-	1,303	4,994	-
<b>Total (B)</b>	<b>3,32,192</b>	<b>24,533</b>	<b>330</b>	<b>3,31,303</b>	<b>23,150</b>	<b>643</b>
<b>Net statement of financial position exposure (A-B)</b>	<b>(2,47,422)</b>	<b>29,191</b>	<b>(31)</b>	<b>(2,58,714)</b>	<b>22,639</b>	<b>(332)</b>

## Sensitivity analysis

The strengthening / weakening of the respective foreign currencies with respect to functional currency of group would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant. The following analysis has been worked out based on the exposures as of the balance sheet date.

(₹ in Lakhs)

As at 31st March, 2024	Profit / (loss)		
	Strengthening / Weakening %	Strengthening	Weakening
EUR	2%	(4,948)	4,948
USD	3%	876	(876)
Others	10%	(3)	3

(₹ in Lakhs)

As at 31st March, 2023	Profit / (loss)		
	Strengthening / Weakening %	Strengthening	Weakening
EUR	2%	(5,174)	5,174
USD	3%	679	(679)
Others	10%	(33)	33

(Note: The impact is indicated on the profit/(loss) and equity before tax basis)

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates.

For details of the Group's borrowings, including interest rate profiles, refer to Note 48 of these financial statements.

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Fixed-rate instruments</b>		
Financial assets	56,469	37,450
Financial liabilities	(1,97,037)	(2,30,330)
	<b>(1,40,568)</b>	<b>(1,92,880)</b>
<b>Variable-rate instruments</b>		
Financial liabilities	(1,12,463)	(1,03,742)
	<b>(1,12,463)</b>	<b>(1,03,742)</b>

#### Interest rate sensitivity - fixed rate instruments

The group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

#### Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(₹ in Lakhs)

Particulars	Profit or (loss)	
	100 bps increase	100 bps decrease
<b>As at 31st March, 2024</b>		
Variable-rate instruments	(1,125)	1,125
<b>Sensitivity (net)</b>	<b>(1,125)</b>	<b>1,125</b>
<b>As at 31st March, 2023</b>		
Variable-rate instruments	(1,037)	1,037
<b>Sensitivity (net)</b>	<b>(1,037)</b>	<b>1,037</b>

(Note: The impact is indicated on the profit/(loss) before tax basis)

#### Offsetting financial assets and financial liabilities

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31st March, 2024 and 31st March, 2023. The column 'net amount' shows the impact on the group's balance sheet if all set-off rights were exercised.

(₹ in Lakhs)

Particulars	Effects of offsetting on the balance sheet			Related amounts and offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
<b>As at 31st March, 2024</b>						
<b>Financial assets</b>						
Derivative financial instruments	18,295	-	18,295	18,295	-	18,295
<b>Total</b>	<b>18,295</b>	<b>-</b>	<b>18,295</b>	<b>18,295</b>	<b>-</b>	<b>18,295</b>
<b>Financial liabilities</b>						
Derivative financial instruments	2,306	-	2,306	2,306	-	2,306
<b>Total</b>	<b>2,306</b>	<b>-</b>	<b>2,306</b>	<b>2,306</b>	<b>-</b>	<b>2,306</b>

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

(₹ in Lakhs)

Particulars	Effects of offsetting on the balance sheet			Related amounts and offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
<b>As at 31st March, 2023</b>						
<b>Financial assets</b>						
Derivative financial instruments	10,398	-	10,398	10,398	-	10,398
<b>Total</b>	<b>10,398</b>	<b>-</b>	<b>10,398</b>	<b>10,398</b>	<b>-</b>	<b>10,398</b>
<b>Financial liabilities</b>						
Derivative financial instruments	13,795	-	13,795	13,795	-	13,795
<b>Total</b>	<b>13,795</b>	<b>-</b>	<b>13,795</b>	<b>13,795</b>	<b>-</b>	<b>13,795</b>

**NOTE NO.40 HEDGE ACCOUNTING**

As part of its risk management strategy, the company endeavors to hedge its net foreign currency exposure of highly forecasted sale transactions for the forthcoming financial years in advance. The company uses forward contracts to hedge its currency exposure. Such contracts are designated as cash flow hedges.

The forward contracts are generally denominated in the same currency in which the sales realization is likely to take place.

For derivative contracts designated as hedge, the Company documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness.

Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge.

The Company applies cash flow hedge accounting to hedge the variability in the future cash flows attributable to foreign exchange risk.

Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Company assesses hedge effectiveness both on prospective and retrospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective on offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship. On the other hand, the retrospective hedge effectiveness test is a backward-looking evaluation of whether the changes in the fair value or cash flows of the hedging position have been highly effective in offsetting changes in the fair value or cash flows of the hedged position since the date of designation of the hedge.

Hedge effectiveness is assessed through the application of critical terms match method. Any ineffectiveness in a hedging relationship is accounted for in the statement of profit and loss.

The company has formally designated and documented hedge relationship from 1 April, 2016.

**a) Disclosure of effects of hedge accounting on financial position****As at 31st March, 2024**

Type of risk/hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
Forward contract	Foreign currency risk of highly probable forecast transactions using forward contracts	Mitigate the impact of fluctuations in foreign exchange rates	Currency forward	Company enters into a forward derivative contract to hedge the foreign currency risk of highly probable forecast transactions using forward contracts These are customized contracts transacted in the over-the-counter market.	Cash flow hedge



**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:  
As at 31st March, 2024

Particulars	Notional principal amounts	Derivative Financial Instruments - Assets (₹ in Lakhs)	Derivative Financial Instruments - Liabilities (₹ in Lakhs)	Line item in Balance Sheet position where the hedging instrument is included	Maturity date	Average strike price/ rate
Foreign exchange forward contracts	517 Million EUR 308 Million USD	14,108	1,876	Nil	FY 2024-25 to FY 2028-29	1 EUR = INR 96.2154 1 USD = INR 86.8770
Cross Currency swap	57 Million EUR	201	-	Nil	FY 2024-25 to FY 2025-26	1 EUR = INR 87.0235
Derivative	30 Million EUR 88 Million USD	46	-	Nil	FY 2024-25 to FY 2028-29	1 EUR = INR 95.8500 1 USD = INR 87.5075
Derivative	57 Million EUR	3,932	-	Nil	FY 2024-25 to FY 2025-26	1 EUR = 1 USD
Foreign exchange forward contracts	51 Million USD	7	348	Nil	FY 2024-25 to FY 2025-26	1 USD = INR 84.7848

Particulars	Change in fair value for the year	Change in fair value for the year recognized in OCI (₹ in Lakhs)	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Foreign exchange forward contracts	FY 2023-24	19,223	Nil	Not applicable	Nil	Not applicable
Cross Currency swap	FY 2023-24	(881)	Nil	Not applicable	Nil	Not applicable
Derivative	FY 2023-24	(35)	Nil	Not applicable	Nil	Not applicable
Derivative	FY 2023-24	1,336	Nil	Not applicable	Nil	Not applicable
Foreign exchange forward contracts	FY 2023-24	(256)	Nil	Not applicable	Nil	Not applicable

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting: (₹ in Lakhs)

Particulars	Movement in Cash flow hedge reserve	
	As at 31st March, 2024	As at 31st March, 2023
Opening balance	(2,542)	7,915
Effective portion of changes in fair value:		
Foreign currency risk	19,387	(13,973)
Net amount reclassified to profit or loss:		
Foreign currency risk	-	-
Tax on movements on reserves during the year	(4,879)	3,516
Closing balance	11,965	(2,542)

**NOTE NO.41 CAPITAL MANAGEMENT**

The group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The group monitors capital using a ratio of 'net debt' to 'equity'. For this purpose, net debt is defined as total debt, comprising interest-bearing loans and borrowings less cash and cash equivalents and current investments.

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

The group's net debt to equity ratio / gearing ratio was as follows.

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-Current Borrowings	69,131	1,03,765
Current Borrowings	2,40,399	2,30,366
Current maturity of long term debt	(31)	(35)
<b>Gross Debt</b>	<b>3,09,499</b>	<b>3,34,096</b>
Less - Cash and Cash Equivalents	7,462	6,930
Less - Current Investments	1,34,899	77,460
<b>Net debt</b>	<b>1,67,138</b>	<b>2,49,706</b>
Total equity	8,85,382	7,55,693
Add/(Less) : Hedging reserve	(11,965)	2,542
<b>Equity</b>	<b>8,73,417</b>	<b>7,58,235</b>
<b>Net Debt to Equity Ratio / Gearing Ratio</b>	<b>19%</b>	<b>33%</b>

## NOTE NO.42 EARNING PER SHARE (EPS):

Basic EPS and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the group by the weighted average number of Equity shares outstanding during the year.

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Profit attributable to equity holders (₹ in lakhs)	1,47,149	1,05,740
Weighted average number of shares outstanding during the year	19,33,17,190	19,33,17,190
Nominal Value of Equity Shares (in ₹)	2	2
Earning Per Share Basic and Diluted ( in ₹)	76.12	54.70

## NOTE NO.43 RELATED PARTY DISCLOSURES \*

(Where transactions have taken place)

## I Related Party Relationships

## a) Key Management Personnel (KMP)

Mr. Arvind Poddar - Chairman & Managing Director, Mr. Rajiv Poddar - Joint Managing Director, Mr. Vipul Shah - Director & Company Secretary, Mr. Madhusudan Bajaj- Sr. President (Commercial) & CFO.

## b) Relatives of Key Management Personnel :

Mrs. Vijaylaxmi Poddar, Mrs. Khushboo Poddar, Mrs. Pooja Dhoot

## c) Other Related Parties -(Enterprises-KMP having significant influence/owned by major shareholders): Clothing Culture Pvt. Ltd.

## II Related Party Transactions \$

(₹ in Lakhs)

Transactions	Year ended 31st March 2024		Year Ended 31st March 2023	
	Relatives of (KMP)	Other related Party	Relatives of (KMP)	Other related Party
Purchase of Goods/ Materials	-	22	-	30
Rent received	-	72	-	72
Recovery of Expenses Other related Party ₹ 36,380 (Previous Year ₹ 1,994)	-	0	-	0
Sale of Assets	-	2	-	-
Rent Paid	372	-	372	-
Maintenance Expenses	14	-	14	-
Remuneration	39	-	28	-
Meeting fees	6	-	4	-
Advance Received against Sale of Investment property	198	-	-	-

**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**

(₹ in Lakhs)

Outstanding Balances	Key Management Personnel		Relatives of (KMP)	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Remuneration payable	7,354	6,607	-	1
Income received in advance	-	-	198	-

**III Key management personnel compensation**

Key management personnel compensation comprised the following :

(₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Remuneration	8,679	7,888
Recovery of Expenses- ₹ 17,571( Previous Year ₹ 3,712)	0	0

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

(₹ in Lakhs)

Transactions	Year ended 31st March, 2024		Year ended 31st March, 2023	
	Relatives of (KMP)	Other related Party	Relatives of (KMP)	Other related Party
<b>Purchase of Goods/ Materials</b>				
Clothing Culture Ltd	-	22	-	30
<b>Rent received</b>				
Clothing Culture Ltd	-	72	-	72
<b>Recovery of Expenses</b>				
Clothing Culture Pvt. Ltd -Other related Party ₹ 36,380 (Previous Year ₹ 1,994)	-	0	-	0
<b>Sale of Assets</b>				
Clothing Culture Pvt. Ltd	-	2	-	-
<b>Rent Paid</b>				
Mrs. Pooja Dhoot	167	-	167	-
Mrs. Khushboo Poddar	205	-	205	-
<b>Maintenance Expenses</b>				
Mrs. Pooja Dhoot	6	-	6	-
Mrs. Khushboo Poddar	8	-	8	-
<b>Advance Received against Sale of Investment property</b>				
Mrs. Pooja Dhoot	198	-	-	-
<b>Meeting Fees</b>				
Mrs. Vijaylaxmi Poddar	6	-	4	-
<b>Remuneration</b>				
Mrs. Khushboo Poddar	39	-	28	-

(₹ in Lakhs)

Outstanding Balances	KMP		Relatives of (KMP)	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
<b>Remuneration payable</b>				
Mr Arvind M Poddar	3,675	3,300	-	-
Mr Rajiv A Poddar	3,675	3,300	-	-
Mr Vipul Shah	3	3	-	-
Mr. Madhusudan Bajaj	1	4	-	-
Mrs. Khushboo Poddar	-	-	-	1
<b>Income Received in Advance</b>				
Mrs. Pooja Dhoot	-	-	198	-

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

## Key management personnel compensation\*\*\*

Key management personnel compensation comprised the following :

(₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>Remuneration</b>		
Mr Arvind M Poddar	4,229	3,854
Mr Rajiv A Poddar	4,117	3,742
Mr Vipul Shah	92	87
Mr Madhusudhan Bajaj	241	205
<b>Recovery of Expenses</b>		
Mr. Rajiv A Poddar- Current Year ₹ 17,571 (Previous Year ₹ 3,712)	0	0

\*\*Provision for employee benefits, which are based on actuarial valuation done on an overall company basis, is excluded.

\*\*\* Excluding Provision for gratuity and leave encashment

Terms and conditions of transactions with related parties

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

\$ All the related party transactions were made on terms equivalent to those that prevail in an arm's length transactions.

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

## NOTE NO.44 TRADE PAYABLE AGEING AS AT 31ST MARCH,2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSE	2,093	-	-	-	2,093
Others	86,808	888	251	574	88,521
Dispute due MSE	-	-	-	-	-
Dispute due Others	96	1	-	312	409

## TRADE PAYABLE AGEING AS AT 31ST MARCH,2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSE	2,164	5	-	-	2,169
Others	41,552	4,185	156	498	46,391
Dispute due MSE	-	-	-	-	-
Dispute due Others	1	-	-	653	654

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
a) The principal amount remaining unpaid to any supplier at the end of the year	2,093	2,169
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.45 EMPLOYEE BENEFIT OBLIGATIONS**
**(A) Defined Contribution Plan**

The group has various schemes for long-term benefits such as provident fund and superannuation. In case of funded schemes, the funds are recognised by the Income tax authorities and administered by appropriate authorities. The group's defined contribution plans are superannuation and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) since the group has no further obligation beyond making the contributions. The liability of the Group on the exempt Provident Fund is restricted to the interest shortfall if any.

(₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>Charge to the Statement of Profit and Loss based on contributions:</b>		
Superannuation	81	81
Employees' Provident fund	1,497	1,402

**(B) Defined Benefit Plan**

In accordance with the provisions of the Payment of Gratuity Act, 1972, the group has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the group.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the group makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at 31st March, 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
	Gratuity (Funded plan)	Gratuity (Funded plan)
<b>(i) Change in Defined Benefit Obligation</b>		
Opening defined benefit obligation	7,781	7,034
Amount recognised in profit and loss		
Current service cost	628	580
Interest cost	580	508
Amount recognised in other comprehensive income		
Actuarial loss / (gain) arising from:		
Demographic assumptions	-	-
Financial assumptions	244	(162)
Experience adjustment	(174)	210
Other		
Benefits paid	(631)	(389)
Closing defined benefit obligation	<b>8,428</b>	<b>7,781</b>
<b>(ii) Change in Fair Value of Assets</b>		
Opening fair value of plan assets	5,570	5,063
Amount recognised in profit and loss		
Interest income	415	365
Amount recognised in other comprehensive income		
Actuarial gain / (loss)		
Return on Plan Assets, Excluding Interest Income	(9)	14
Other		
Contributions by employer	527	517
Benefits paid	(631)	(389)
Closing fair value of plan assets	<b>5,872</b>	<b>5,570</b>
Actual return on Plan Assets	406	379

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

(₹ in Lakhs)

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Gratuity (Funded plan)		Gratuity (Funded plan)	
(iii) Plan assets comprise the following	Unquoted		Unquoted	
Insurance fund (100%)	5,872		5,570	
(iv) Principal actuarial assumptions used	%		%	
Discount rate	7.21		7.48	
Rate of employee turnover	For Service 4 years and below 10 % p.a. & for Service 5 years and above 2%p.a		For Service 4 years and below 10 % p.a. & for Service 5 years and above 2%p.a	
Future Salary growth rate	8.50		8.50	
(v) Amount recognised in the Balance Sheet				
Present value of obligations as at year end	8,428		7,781	
Fair value of plan assets as at year end	5,872		5,570	
Net (asset) / liability recognised as at year end	2,556		2,211	
Recognised under :				
Long term provisions	2,556		2,211	
	2,556		2,211	

## (C) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement) - Gratuity	(849)	1,019	(696)	828
Employee turnover (1% movement) - Gratuity	(47)	52	(45)	51
Future salary growth (1% movement) - Gratuity	686	(675)	649	(618)

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

## (D) Expected future cash flows

(₹ in Lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at 31st March, 2024					
Defined benefit obligations (Gratuity)	358	279	2,263	2,820	5,720
Total	358	279	2,263	2,820	5,720

(₹ in Lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at 31st March, 2023					
Defined benefit obligations (Gratuity)	530	414	2,177	2,758	5,879
Total	530	414	2,177	2,758	5,879

## Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily basic salary for each day of accumulated leave partially at the year end and partially on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31st March, 2024 based on actuarial valuation using the projected accrued benefit method is ₹ 38 lakhs (31st March, 2023 : ₹11 lakhs).

**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**
**NOTE NO.46 CONTINGENT LIABILITIES AND COMMITMENTS**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>(i) Contingent Liabilities</b>		
a) Claims against the group not acknowledge as debts		
Disputed claims for excise, sales tax, customs, service tax and GST	12,738	12,507
Disputed income tax demands	86	1,348
Others (Municipal, Gram panchayat tax, Electricity Duty etc.)	906	823
b) Guarantees given by the group's bankers on behalf of the group against the group's Indemnity	8,624	8,045
c) Corporate Guarantee given by the group:		
To the President of India through commissioner of Custom	48,405	62,498
d) Standby Letter of Credit issued by group's banker for loan taken by subsidiary	430	414
<b>(ii) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	96,635	56,271

**NOTE NO.47 REMUNERATION TO AUDITORS \***

(₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>a) Statutory Auditor</b>		
Audit Fees	129	100
Limited Review	4	4
Tax Audit	30	25
Transfer Pricing	4	4
	<b>167</b>	<b>133</b>
<b>Income tax matters</b>	<b>35</b>	<b>9</b>
<b>Company Law Matters</b>	<b>30</b>	<b>12</b>
<b>Other Services</b>		
Consolidation & Corporate Governance	9	7
Other Certification etc.	60	62
	<b>69</b>	<b>69</b>
<b>Total</b>	<b>301</b>	<b>233</b>
<b>b) Cost Auditor</b>		
Audit Fees	5	-

\*Excluding GST

**NOTE NO.48 NATURE OF SECURITY IN RESPECT OF SECURED LOAN**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
a) <b>At Parent Company:</b>		
Secured by first charge by way of hypothecation on all the movable assets of tyre plant of Bhuj, Gujarat	54,131	53,765
b) <b>At subsidiary Companies:</b>		
Secured by first charge by way of security agreement of all the assets of BKT Tires Inc and the Parent Company.	3,585	4,029
Secured by Guarantee of the Parent Company.	2,269	4,729

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.49 TRADE RECEIVABLE AGEING AS AT 31ST MARCH, 2024

(₹ in Lakhs)

Sr no	Particulars	Less than 6 months	6 month -1 year	1-2 Years	2-3 Years	More than 3 years	Total
1	Undisputed Trade Receivable - Consider Good	1,41,233	2,931	379	-	-	1,44,543
2	Undisputed Trade Receivable - which have significant increase in Credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
4	Disputed Trade Receivable - Consider Good	-	-	-	-	-	-
5	Disputed Trade Receivable - which have significant increase in Credit risk	-	-	-	-	-	-
6	Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-

## TRADE RECEIVABLE AGEING AS AT 31ST MARCH, 2023

(₹ in Lakhs)

Sr no	Particulars	Less than 6 months	6 month -1 year	1-2 Years	2-3 Years	More than 3 years	Total
1	Undisputed Trade Receivable - Consider Good	1,07,902	3,496	129	-	-	1,11,527
2	Undisputed Trade Receivable - which have significant increase in Credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
4	Disputed Trade Receivable - Consider Good	-	-	-	-	-	-
5	Disputed Trade Receivable - which have significant increase in Credit risk	-	-	-	-	-	-
6	Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-

## NOTE NO.50 SEGMENT REPORTING

## A. General Information

Factors used to identify the entity's reportable segments including the basis of organisation

For management purposes the group has only one reportable segment as follows:

- Manufacture and sale of tyres

The Managing Director of the group acts as the Chief Operating Decision Maker (CODM).

The CODM evaluates the group's performance and allocates resources based on an analysis of various performance indicators by operating segments.

## B. Geographic information

The geographic information analyses the group's revenue and non-current assets by the group's country of domicile and other countries.

(₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Revenues from external customers attributed to the country of domicile and attributed to all foreign countries from which the group derives revenues		
Revenue from the Country of Domicile- India	2,61,514	2,16,914
Revenue from foreign countries		
Europe	3,99,530	4,44,106
North America	1,70,905	1,95,262
Others	1,04,938	1,19,671
<b>Total</b>	<b>9,36,887</b>	<b>9,75,953</b>



**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**
**C. Information about major customer**

There are no transactions with single customer which amounts to 10% or more of the company's revenue.

**D. Segment Assets**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Non-Current Assets</b>		
In India	7,65,983	7,12,267
Outside India	3,387	3,493
<b>Total</b>	<b>7,69,370</b>	<b>7,15,760</b>

**NOTE NO.51**

Additional information as required by paragraph 2 of Division 2 of schedule III to the companies Act 2013 - 'General instruction for the preparation of consolidated financial statement' Division 2 of Schedule III

31st March, 2024

(₹ in Lakhs)

Name of the entities in the Group	Net Assets , i.e. Total Assets minus total liabilities		Share in Profit and loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (₹)	As % of Consolidated Profit or Loss	Amount (₹)	As % of Consolidated Other comprehensive income	Amount (₹)	As % of Total comprehensive income	Amount (₹)
<b>Parent</b>	100.09%	8,86,193	97.70%	1,43,761	107.26%	14,449	98.50%	1,58,210
<b>Subsidiaries</b>								
<b>Foreign</b>								
1. BKT USA INC	0.18%	1,554	0.17%	250	-0.30%	(41)	0.13%	209
2. BKT TIRES INC	0.08%	690	-0.05%	(73)	-1.47%	(198)	-0.17%	(271)
3. BKT Tires (Canada) Inc	0.02%	179	0.06%	86	-0.22%	(29)	0.03%	57
4. BKT Europe srl	0.21%	1,893	0.64%	947	-5.27%	(711)	0.15%	236
<b>Indian</b>								
5. BKT Tyres Ltd.	0.01%	56	0.00%	(2)	-	-	0.00%	(2)
Elimination	-0.59%	(5,183)	1.48%	2,180	-	-	1.36%	2,180
<b>Total</b>	<b>100%</b>	<b>8,85,382</b>	<b>100%</b>	<b>1,47,149</b>	<b>100%</b>	<b>13,470</b>	<b>100%</b>	<b>1,60,619</b>

31st March, 2023

(₹ in Lakhs)

Name of the entities in the Group	Net Assets , i.e. Total Assets minus total liabilities		Share in Profit and loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (₹)	As % of Consolidated Profit or Loss	Amount (₹)	As % of Consolidated Other comprehensive income	Amount (₹)	As % of Total comprehensive income	Amount (₹)
<b>Parent</b>	100.42%	7,58,914	102.01%	107,871	84.41%	(10,483)	104.35%	97,388
<b>Subsidiaries</b>								
<b>Foreign</b>								
1. BKT USA INC	0.18%	1,345	0.35%	365	0.79%	(98)	0.29%	267
2. BKT TIRES INC	0.13%	961	1.07%	1,127	7.83%	(972)	0.17%	155
3. BKT Tires (Canada) Inc	0.04%	276	0.07%	76	0.24%	(30)	0.05%	46
4. BKT Europe srl	0.22%	1,657	1.54%	1,632	6.73%	(835)	0.85%	797
<b>Indian</b>								
5. BKT Tyres Ltd.	0.00%	3	0.00%	(0)	-	-	0.00%	(0)
Elimination	-0.99%	(7,463)	-5.04%	(5,331)	-	-	-5.71%	(5,331)
<b>Total</b>	<b>100%</b>	<b>7,55,693</b>	<b>100%</b>	<b>1,05,740</b>	<b>100%</b>	<b>(12,418)</b>	<b>100%</b>	<b>93,322</b>

## Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)

## NOTE NO.52 CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITY:

(₹ in Lakhs)

Sr. No	Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
1	Amount required to be spent by the Company during the year	3,134	2,889
2	Opening Shortfall/(Surplus) (if any) (₹ 6,617)	(0)	(11)
3	Amount of expenditure incurred on		
	i) Construction/acquisition of any assets	2,153	2,026
	ii) On purpose of other than (i) above	1,254	852
4	Shortfall/(Surplus) at the end of the year (₹ 6,617)	(273)	(0)
5	Total of Previous year shortfall	-	-
6	Reason for shortfall	-	-
7	Nature of CSR activities	Healthcare, Education and Rural development	
8	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :	-	-

## NOTE NO.53 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors has recommended a further final dividend of ₹ 4 (200%) per equity share of ₹ 2 each.

## NOTE NO.54 RATIOS

Sr No.	Particulars	Numerator	Denominator	Year Ended		Variance %	Remarks for variance more than 25%
				31st March, 2024	31st March, 2023		
1	Current Ratio (In times)	Current Assets	Current Liabilities	1.27	1.17	8.18	
2	Debt-Equity Ratio (In times)	Total Debt	Shareholder's Equity	0.35	0.44	(20.94)	
3	Debt Service Coverage Ratio (In times)	Earnings available for debt service	Debt Service	93.10	144.16	(35.42)	There has been increase in Interest Cost
4	Return on Equity (ROE) (%)	Net Profits after taxes	Average Shareholder's Equity	17.93	14.59	22.87	
5	Inventory Turnover (In times)	Cost of goods sold	Average Inventories	9.27	9.84	(5.83)	
6	Trade receivables Turnover (In times)	Net Sales	Average Trade Receivables	7.27	8.72	(16.70)	
7	Trade Payables Turnover Ratio (In times)	Total Purchase	Avg Trade Payables	10.15	12.13	(16.35)	
8	Net capital turnover ratio (In times)	Net Sales	Working Capital	11.91	15.59	(23.61)	
9	Operating Margin (%)	Operating Profit	Net Sales	17.25	11.78	46.40	There has been increase in Profit Margin
10	Net profit ratio (%)	Net Profit	Net Sales	15.82	10.96	44.27	There has been increase in Profit Margin
11	Return on capital employed (ROCE) (%)	Earning before interest and taxes	Capital Employed	16.73	13.34	25.45	There has been increase in Profit Margin
12	Return on investment (%)	Income generated from investments	Average Investments	11.26	5.47	106.05	There has been increase in cash flow during the year
13	Interest coverage ratio (In times)	Earnings before interest and taxes (EBIT)	Finance Cost	18.20	30.87	(41.05)	There has been increase in debts cost

**Notes to the Consolidated Financial Statements For the year ended 31st March, 2024 (Contd.)**

**NOTE NO.55 OTHER STATUTORY INFORMATIONS:**

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii) The Company does not have any transactions with struck off companies.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority
- vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
  - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries)
  - b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vii) All the title deeds of immovable properties are in the name of Company.
- viii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- ix) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

**NOTE NO.56 EXTENDED PRODUCER RESPONSIBILITY (EPR)**

On 21st July, 2022, the Ministry of Environment, Forest and Climate Change issued notification containing regulations on Extended Producer Responsibility (EPR) for Waste Tyres, which amongst others is also applicable to Tyre manufacturers. The obligation is to be fulfilled by purchasing certificates from recyclers registered with the Central Pollution Control Board. As on 31st March, 2023 the Company was unable to reliably estimate its liability due to lack of infrastructure for the same. Consequently, provision was not made for this obligation. In the current year, the necessary framework has been established, allowing the Company to estimate the liability and accordingly ₹ 1,125 lakhs has been provided in the books in the current year, which has been included under the head Other Expenses for the current year. In line with regulation, calculation for the obligation is based on the domestic revenue of FY 2020-21 (used for computing obligation for FY 2022-23) and of FY 2021-22 (used for computing obligation for FY 2023-24).

**NOTE NO.57**

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

**NOTES FORMING THE PART OF FINANCIAL STATEMENTS**

As per our report of even date attached

**For JAYANTILAL THAKKAR & CO.**

**Chartered Accountants**

(Firm Reg. no.104133W)

**VIRAL A. MERCHANT**

Membership No.116279

Mumbai,

Dated: 17th May, 2024

**MADHUSUDAN BAJAJ**

Sr. President (Commercial) & CFO

For and on behalf of the Board of Directors

**ARVIND PODDAR**

Chairman & Managing Director

**RAJIV PODDAR**

Joint Managing Director

**VIPUL SHAH**

Director & Company Secretary

Mumbai,

Dated: 17th May, 2024

# BKT



GROWING TOGETHER

# BHARAT KA KHEL. BHARAT KA TIRE.



OFFICIAL TIRE PARTNER





## Balkrishna Industries Limited

CIN: L99999MH1961PLC012185

**Registered office:** B-66, MIDC, Waluj Industrial Area, Waluj, Chhatrapati Sambhaji Nagar - 431 136, Maharashtra, India

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

**Tel:** (+91) 22-6666 3800 - **Fax:** (+91) 22-6666 3898 - **e-mail:** shares@bkt-tires.com **Website:** bkt-tires.com



[bkt-tires.com](http://bkt-tires.com)