

BIL/SE/2025-26

4<sup>th</sup> July, 2025

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: Integrated Annual Report for the financial year 2024-25 including Notice of Annual General Meeting, Record date and Dividend payment Date.**

This is to inform you that the 63<sup>rd</sup> Annual General Meeting (AGM) of the Members of the Company is scheduled to be convened on Saturday, the 26<sup>th</sup> July, 2025 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 34(1) and 53(2) of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), we are enclosing herewith the Integrated Annual Report of the Company for the financial year 2024-25 along with the Notice convening Annual General Meeting (“Notice”) to be held on Saturday, the 26<sup>th</sup> July, 2025 through Video Conferencing / Other Audio Visual Means, being sent to the members through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/Depositories. The Integrated Annual Report for year 2024-25 including Notice is also uploaded on the Company’s website and can be accessed at [www.bkt-tires.com](http://www.bkt-tires.com).

Pursuant to Regulation 36(1)(b) of SEBI Listing Regulations, a letter is being sent by the Company providing the web-link [https://www.bkt-tires.com/downloads/16163/12443/Final\\_Integrated\\_Annual\\_Report\\_2024-25.pdf](https://www.bkt-tires.com/downloads/16163/12443/Final_Integrated_Annual_Report_2024-25.pdf), exact path and QR Code where complete details of the Integrated Annual Report for year 2024-25 are available, to those shareholder(s) who have not registered their e-mail address with the Company/Registrar and Transfer Agent/ Depositories at their registered address with the Company.

Pursuant to Regulation 42 of SEBI Listing Regulations, the Company has fixed Saturday, the 12<sup>th</sup> July, 2025 as the Record Date for determining entitlement of members to Final Dividend for the financial year ended 31<sup>st</sup> March, 2025. 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 after 26<sup>th</sup> July, 2025 but within stipulated time.

Contd.2

**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](http://www.bkt-tires.com)**

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

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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
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# 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 63<sup>rd</sup> Annual General Meeting of the Members of BALKRISHNA INDUSTRIES LIMITED will be held on Saturday, the 26<sup>th</sup> July, 2025, at 10:30 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, 2025, 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, 2025, 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 FY 2024-25.
- To appoint a Director in place of Mr. Vipul Shah (DIN: 05199526), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

- To consider appointment of Mr. Gantayettu Bala Bhaskar Babuji, a Company Secretary in Wholetime Practice as the Secretarial Auditor of the Company.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, consent of the Company be and is hereby accorded for appointment of Mr Gantayettu Bala Bhaskar Babuji, a Company Secretary in Wholetime Practice (Membership Number F-1182 and Certificate of Practice No.8131, Peer Review Certificate No. 1353/2021) as Secretarial Auditor of the Company for a term of 5 (Five) consecutive years commencing from 1<sup>st</sup> April, 2025 till 31<sup>st</sup> March, 2030 to conduct Secretarial audit of the

Company, at such remuneration as may be determined by the Board of Directors of the Company and Secretarial Auditor.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and to sign all such documents and writings as may be considered necessary to give effect to this resolution and for matters connected therewith or incidental thereto."

- To consider and ratify the remuneration payable to M/s. RA & Co., Cost Accountants for the financial year ending 31st March, 2026.**

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 Company be and hereby ratifies the remuneration of ₹6,00,000/- (Rupees Six lakhs Only) per annum plus applicable taxes and reimbursement of out of pocket expenses incurred in connection with Audit, as approved by the Board of Directors based on the recommendation of the Audit Committee, payable to M/s. RA & Co., Cost Accountants, (Firm Registration No.: 00242), who are appointed as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2026.

**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 8<sup>th</sup> April, 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. 09/2024 dated 19<sup>th</sup> September, 2024, 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/2024/133 dated 3<sup>rd</sup> October, 2024 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI 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 63<sup>rd</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 63<sup>rd</sup> AGM.

2. 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 his brief profile forms part of this Notice.
3. 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, the requirement of 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.
4. Institutional Members/Corporate Members (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG 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 to [gbbbabuji@yahoo.co.in](mailto:gbbbabuji@yahoo.co.in) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional Members/Corporate Members can also upload their Board Resolution/Power of Attorney/ Authority Letter, by clicking on "Upload Board Resolution/ Authority letter", etc. displayed under 'e-Voting' tab in their Login.
5. 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 National Securities Depository Limited (NSDL), 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.28.
6. Only registered Members of the Company may attend and vote at the AGM through VC/OAVM facility.
7. 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 as on the cutoff date i.e. Saturday, the 19<sup>th</sup> July, 2025 will be entitled to vote at the AGM.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. In Compliance with the MCA Circulars and the SEBI Circulars, Notice of the 63<sup>rd</sup> AGM along with the Integrated Annual Report for year 2024-25 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 2024-25 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 [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
10. Members whose e-mail IDs are not registered with the Company or Depositories may register the same at the earliest for receiving Notice of the AGM and Integrated Annual Report. Members holding shares in:
  - Electronic mode can register their email ID by contacting their respective Depository Participant(s) ("DP").
  - Physical mode can register their email ID and other KYC details with Company's Registrar and Transfer Agent - KFin Technologies Limited (KFinTech) or Company through ISR Forms only.
  - Pursuant to 36(1)(b) of SEBI Listing Regulations, the hard copy of the letter providing the web-link, including the exact path, where complete details of the Integrated Annual Report for 2024-25 is available is being sent to those Members at their registered address whose email ids are not registered with the Depositories/Company.
11. All documents referred to in the accompanying Notice are open for inspection up to the date of the 63<sup>rd</sup> AGM of the Company through electronic mode.
12. 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.
13. 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. Saturday, the 12<sup>th</sup> July, 2025 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

## Notice

deduction of tax at source as recommended by the Board of Directors, if approved at the AGM, will be made after 26<sup>th</sup> July, 2025 but within stipulated time as under:

- (a) 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 Saturday, the 12<sup>th</sup> July, 2025;
  - (b) 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 Saturday, the 12<sup>th</sup> July, 2025.
14. With effect from 1<sup>st</sup> April, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made upon folio being KYC compliant i.e. the PAN, contact details including mobile no., bank account details and specimen signature are registered with the RTA/Company *SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7<sup>th</sup> May, 2024, read with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10<sup>th</sup> June, 2024.*
15. 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	Particulars	Withholding tax rate	Documents required (if any) / Remarks
(1)	(2)	(3)	(4)
1	Valid PAN updated in the Company's Register of Members	10%	No document required, If dividend does not exceed ₹ 10,000/-, 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 ₹ 10,000/-, 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	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.
4	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	Particulars	Withholding tax rate	Documents required (if any)/ Remarks
(1)	(2)	(3)	(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.

Sr. No	Particulars	Withholding tax rate	Documents required (if any)/ Remarks
(1)	(2)	(3)	(4)
2	Shareholders to whom section 194 of the Income Tax Act, 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.
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 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.

Sr. No	Particulars	Withholding tax rate	Documents required (if any)/ Remarks
(1)	(2)	(3)	(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>
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 35% (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.



## Notice

Sr. No	Particulars	Withholding tax rate	Documents required (if any)/ Remarks
(1)	(2)	(3)	(4)
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	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:

- (i) 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>.
- (ii) 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 i.e. 12<sup>th</sup> July, 2025 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> and in respect of interim dividend, if any, declare during the FY 2025-26 than aforesaid tax related document need to be uploaded within 7 (seven) days from the date of dividend declaration to the aforesaid link <https://ris.kfintech.com/form15>.
- (iii) 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.
- (iv) 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.
- (v) No TDS will be deducted in case of resident individual shareholders who furnish their PAN details and whose dividend does not exceed ₹ 10,000/-. 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 ₹ 10,000/-.

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.

- (vi) 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.
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 2024-25 the Company has transferred Unpaid / Unclaimed Final Dividend for FY 2016-17 and 1<sup>st</sup>, 2<sup>nd</sup> & 3<sup>rd</sup> Interim Dividends declared for FY 2017-18, on due date to the Investor Education and Protection Fund ('IEPF') established by the Central Government.  
  
During the FY 2025-26 the Company shall transfer the Unpaid/Unclaimed Final Dividend declared for FY 2017-18 and 1<sup>st</sup>, 2<sup>nd</sup> & 3<sup>rd</sup> Unpaid/ Interim dividends declared for FY 2018-19 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 FY 2018-19 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 FY 2024-25, the Company had, after sending reminders to concerned members transferred Equity Shares in respect of Unpaid/Unclaimed Dividend for 1<sup>st</sup> and 2<sup>nd</sup> Unpaid/Unclaimed Interim dividends declared for FY 2017-18 on due dates to the IEPF Account which remained unclaimed for seven consecutive years. The Company has transferred Equity shares in respect of 3<sup>rd</sup> Unpaid/Unclaimed Dividend for FY 2017-18 on on due date to the IEPF Account which remained unclaimed for seven consecutive years.

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. SEBI vide its notification dated 24<sup>th</sup> January, 2022 has amended Regulation 40 of the SEBI Listing Regulations and 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.
20. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing the KYC 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: [www.kfintech.com](http://www.kfintech.com) or contact the Company or Company's Registrar and Transfer Agent- Kfintech for assistance in this regard.
21. Members are requested to intimate changes, if any, pertaining to their Name, Postal address, E-mail address, Telephone/Mobile numbers, Permanent Account Number (PAN), Choice of 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).

22. Members may please note that SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 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) and KFinTech website [www.kfintech.com](http://www.kfintech.com).
23. 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.
24. SEBI vide its Master Circular No. SEBI/HO/ OIAE/OIAE\_IAD-1/P/ CIR/2023/145 dated 31<sup>st</sup> July, 2023 (updated as on 11<sup>th</sup> August, 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 circular, 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 at <https://smartodr.in/login>.

#### 25. Online application for Investor Query:

Members are hereby notified that our RTA, KFinTech, on the basis of the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72 ) dated 8<sup>th</sup> June, 2023, have launched an online application which can be accessed at [https://ris.kfintech.com/default.aspx#>Investor\\_Services>Investor\\_Support](https://ris.kfintech.com/default.aspx#>Investor_Services>Investor_Support).

Members are requested to register / signup, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request , Query , Complaints , check for status, KYC details, Dividend, Interest , Redemptions, e-Meeting and e-Voting details.

Quick link to access the signup page : <https://kpriism.kfintech.com/signup>



# Notice

## Senior Citizens - Investor Support

As part of the initiative, our RTA in order to enhance the investor experience for Senior Citizens, a Senior Citizens investor cell has been newly formed to assist exclusively the Senior Citizens in redressing their grievances, complaints and queries. The special cell closely monitors the complaints coming from Senior Citizens through this channel and handholds them at every stage of the service request till closure of the grievance.

Senior Citizens wishing to avail this service can send the communication with the below details to the email id, [senior.citizen@kfinitech.com](mailto:senior.citizen@kfinitech.com). Senior Citizens (above 60 years of age) have to provide the following details, ID proof showing Date of Birth, Folio Number, Company Name, Nature of Grievance

A dedicated Toll-free number for Senior Citizens can also be accessed at 1-800-309-4006 for any queries or information.

### KPRISM Mobile App:

Mobile application for all users to review their portfolio being managed by KFinTech is available in Play store and App Store. User are requested to download the application and register with the PAN number. Post verification, user can use functionalities like – Check portfolio / holding, check IPO status / Demat / Remat , Track general meeting schedules, download ISR forms, view the live streaming of AGM and contact the RTA with service request, grievance, and query.

26. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and in case the shares are held by them in physical form can register their email ID and other KYC details with the Company or KFINTECH through ISR Forms only.
27. 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 Tuesday, the 15<sup>th</sup> July, 2025 at Company's email id: [shares@bkt-tires.com](mailto:shares@bkt-tires.com).
28. **INSTRUCTIONS FOR E-VOTING BY MEMBERS AND JOINING THE AGM ARE AS FOLLOWS:**

#### A. Voting through electronic means:

- i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at AGM. The

facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.





- 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 whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Saturday, the 19<sup>th</sup> July, 2025 ('cut-off date') shall be entitled to vote in respect of the shares held, by availing the facility of remote e-voting prior to the AGM or remote evoting during the AGM.
- iv. 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.
- v. 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.
- vi. The remote e-voting period commences on Wednesday, the 23<sup>rd</sup> July, 2025 (9:00 a.m. IST) and ends on Friday, the 25<sup>th</sup> July, 2025 (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 Saturday, the 19<sup>th</sup> July, 2025) may cast their votes by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.
- vii. 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.
- viii. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

#### Step 1: Access to NSDL e-Voting system

##### I) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Login method for Individual shareholders holding securities in demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Existing IDEAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDEAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. 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> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. 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. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.  <b>NSDL Mobile App is available on</b>   App Store  Google Play   </li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

## Notice

### Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	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 at toll free no. 1800-21-09911

### II) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- 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. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:

  - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com).
  - Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company 134225 to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders:**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [gbbbabuji@yahoo.co.in](mailto:gbbbabuji@yahoo.co.in) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to Sagar S. Gudhate, Senior Manager at [evoting@nsdl.com](mailto:evoting@nsdl.com)

### **III. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [shares@bkt-tires.com](mailto:shares@bkt-tires.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [shares@bkt-tires.com](mailto:shares@bkt-tires.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### **IV. The instructions for members for e-voting on the day of the AGM are as under:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

## Notice

### V. Instructions for Members for Attending the AGM Through VC/OAVM Are As Under:

1. Facility of joining the AGM through VC/OAVM shall be opened 30 (thirty) minutes before the time schedule 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.
2. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company i.e.134225 will be displayed. 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 in the notice to avoid last minute rush.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. 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.
6. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/ folio number, email id, mobile number on or before Wednesday, the 23<sup>rd</sup> July, 2025 at [shares@bkt-tires.com](mailto:shares@bkt-tires.com). The same will be replied by the company suitably.
7. Members who would like to express their views/ ask questions as a Speaker at the AGM may preregister themselves by sending a request from their registered email ID mentioning their names, DP ID and Client ID/folio number, PAN and mobile number to [shares@bkt-tires.com](mailto:shares@bkt-tires.com) between Monday, the 21<sup>st</sup> July, 2025 to Wednesday, the 23<sup>rd</sup> July, 2025.

Only those Members who have pre-registered themselves as Speakers will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

8. Any person holding shares in physical form and nonindividual Members, who acquire shares of the Company and becomes a Member of the Company after dispatch and holding shares as of the cut-off date i.e. 19<sup>th</sup> July, 2025 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or the Company/RTA.

However, if the person is already registered with NSDL for remote e-Voting, then the existing user ID and password of the said person can be used for casting vote. If the person forgot his/her password, the same can be reset by using 'Forgot user Details/ Password' or 'Physical user Reset Password' option available at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or by calling on 022 4886 7000.

In case of Individual Members holding securities in Demat mode who acquire shares of the Company and becomes a Member of the Company after sending the Notice and holding shares as of the cut-off date i.e. 19<sup>th</sup> July, 2025 may follow steps mentioned in the notes to Notice under 'Access to NSDL e-Voting system'.

29. 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.
30. 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 NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.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.
31. 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. Saturday, the 26<sup>th</sup> July, 2025.

By order of Board of Directors  
**For Balkrishna Industries Limited**

**Vipul Shah**

Place : Mumbai  
Date: 23<sup>rd</sup> May, 2025

Director & Company Secretary  
DIN: 05199526



## 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:

Pursuant to the amended provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulation') vide SEBI Notification dated 12<sup>th</sup> December, 2024 and provisions of Section 204 of the Companies Act, 2013 ('Act') and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on 23<sup>rd</sup> May, 2025, has approved the appointment of Mr Gantayettu Bala Bhaskar Babuji, a Company Secretary in Wholetime Practice (Membership Number F-1182 and Certificate of Practice No.8131,) for a period of five (5) consecutive years, commencing from 1<sup>st</sup> April, 2025 to 31<sup>st</sup> March, 2030 subject to approval of the Members at the Annual General Meeting.

Furthermore, in terms of the amended regulations, Mr Gantayettu Bala Bhaskar Babuji has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate No. 1353/2021.

Mr Gantayettu Bala Bhaskar Babuji have confirmed that he is not disqualified from being appointed as Secretarial Auditor of the Company and has no conflict of interest.

While recommending , Mr Gantayettu Bala Bhaskar Babuji for appointment, the Board and the Audit Committee evaluated various eligibility criteria prescribed under the Act & Rules made thereunder and SEBI Listing Regulation qualification, capability, independent assessment, audit experience, evaluation of the quality of audit work done by him in the past.

Mr Gantayettu Bala Bhaskar Babuji has an experience of over 40 years as a Company Secretary in various listed companies. He is in Whole-time Practice as Company Secretary since 2009 handling certification of various e-forms filed with MCA, Secretarial Audit, Due Diligence Reports for Banks and other certifications. He also holds a valid Peer Review Certificate.

The terms and conditions of the appointment of Mr Gantayettu Bala Bhaskar Babuji includes a tenure of five (5) consecutive years, commencing from 1<sup>st</sup> April, 2025 upto 31<sup>st</sup> March, 2030 at a remuneration of 1,90,000/- (Rupee One Lakh Ninety Thousand only), plus applicable taxes for financial

year ending 31<sup>st</sup> March, 2026 and as may be mutually agreed between the Board and the Secretarial Auditor for subsequent years.

Mr Gantayettu Bala Bhaskar Babuji has provided its consent to act as the Secretarial Auditors of the Company and has confirmed that the proposed appointment, if made, will be in compliance with the provisions of the Act and the SEBI Listing Regulations.

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.

### ITEM NO. 5:

The Board of Directors of the Company at their meeting held on 23<sup>rd</sup> May, 2025, based on the recommendation of the Audit Committee, re-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 ending 31<sup>st</sup> March, 2026, at a remuneration of ₹ 6,00,000 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 Work 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 ending 31<sup>st</sup> March, 2026.

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. 5 of this Notice.

The Board recommends the Resolution as set out at Item no. 5 of the AGM Notice to the Members of the Company for their consideration and approval, by way of Ordinary Resolution.

By order of Board of Directors  
**For Balkrishna Industries Limited**

**Vipul Shah**

Director & Company Secretary  
DIN: 05199526

Place : Mumbai  
Date : 23<sup>rd</sup> May, 2025



## Notice

### **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	Mr. Vipul Shah
DIN	05199526
Designation/Category of the Director	Director & Company Secretary (Executive Director)
Date of Birth (Age)	2 <sup>nd</sup> March, 1963 (62 years)
Qualification	B.Com, Diploma in Business Management, Company Secretary (ACS)
Date of appointment on the Board	11 <sup>th</sup> February, 2012
Experience and Expertise	He has experience of over 37 years in the areas of company secretarial compliances, finance and accounts
No. of Meetings of the Board attended during the year	5 out of 5
Directorships held in other companies including listed companies	NIL
Memberships/Chairmanships of committees of other Companies	NIL
Name of listed entities from which the person has resigned in the past three years	NIL
No. of shares held in the Company	NIL
Disclosure of relationship between Directors, Managers and Key Managerial Personnel of the Company	He is not related to any of the Directors, Managers or Key Managerial Personnel of the Company.
Terms & Conditions of appointment / re-appointment	The terms and conditions of 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 FY 2024-25	₹ 0.98 Crores
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

# New Roads. Same Direction.



**Balkrishna Industries  
Limited**

Annual Report 2024-25



। वक्रतुंड महाकाय सूर्यकोटी समप्रभः।  
॥ त्रिविधं कुरु मे देवः सर्व कार्येषु सर्वदा ॥



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# New roads. Same direction.

Growth, resilience and innovation at the core of our global journey.

For decades, BKT has specialised in mastering the world's toughest terrains, empowering industries that build, move, and nourish our world. From agriculture to construction, mining to ports, we have grown by staying grounded in our purpose: delivering performance where it matters most.

Today, we remain firmly on course, guided by the same values, yet moving toward a broader horizon. As we reinforce our leadership in Off-Highway applications, we are also entering a new strategic domain: Premium Passenger Car Radials (PCR) and Commercial Vehicle Radials (CVR). This evolution reflects a consistent direction that is rooted in engineering excellence, customer focus, and long-term partnerships, even as we embrace new opportunities and mobility demands.

From remote fields to urban streets, from specialised fleets to emerging mobility needs, BKT continues to expand its impact – one road at a time, always in the same direction.



## Key highlights of FY 2024-25

### Financial

**₹10,413 cr**

Revenue

↗ **12% YoY**

**₹2,955 cr**

EBITDA

↗ **11% YoY**

**₹1,628 cr**

Net Profit

↗ **13% YoY**

### Operational

**3,15,273 MT**

Revenue

↗ **8% YoY**

**6**

Distinct tracks for tire testing, simulating a variety of real-world terrains and conditions

**100%**

Of tire manufacturing sites are ISO 9001:2015 certified







# From tough terrains to city roads

BKT is a global leader in Off-Highway Tire (OHT) manufacturing, with over 30 years of experience serving the agriculture, construction, earthmoving, port, and mining sectors. Engineered for durability, safety, and high performance, our products are designed to excel in the world's most demanding environments – earning the trust of professionals worldwide and recognition as a reliable partner across industries.

With a presence in more than 160 countries and an extensive distribution network, our commitment to quality and reliability drives every solution we deliver – regardless of surface, sector or location.



## Vision

To achieve leadership in the Off-Highway Tires global market



## Mission

Committed to always offering new quality solutions to satisfy the most demanding user needs for any application



## Core values

- Quality
- Trust
- Innovation
- Excellence
- Leadership



## Our key sectors



### Agriculture

- Field Cultivation
- Specialty Farming
- Grounds Maintenance
- Light Transport



### Construction & Industrial

- Construction Operations
- Industrial Handling
- Infrastructure Work
- Material Transport



### Mining (OTR)

- Earthmoving
- Surface Mining
- Load & Haul Operations
- Quarry Activities

## World's largest OHT portfolio

With over 3,600 SKUs, BKT offers one of the most comprehensive product ranges in the industry. From high-performance agricultural tires to robust solutions for mining, construction, and industrial operations, our portfolio is designed to meet specific application requirements with precision and reliability.

## Expanding horizons

While reinforcing our leadership in Off-Highway applications, BKT is now entering a new chapter of strategic growth: the Premium Passenger Car Radial (PCR) and Commercial Vehicle Radial (CVR) tire segments. This modular and phased approach reflects our ambition to apply our engineering strength, product reliability, and customer focus to the evolving needs of mainstream mobility – both on and off the road.



Our core strengths

# Strategic advantages that drive sustainable growth

Our strengths are embedded in our strategy. From vertical integration to global brand agility, these core advantages position us to lead with resilience, scale with confidence, and deliver value across every terrain.





## Our definitive edge



### Global leadership in Off-Highway Tires

India's foremost exporter in the Off-Highway tire segment, with a solid presence across agriculture, construction, mining, and industrial applications



### Wide and comprehensive product portfolio

A deep understanding of customer needs has led to the development of over 3600 SKUs, enabling tailored solutions across a wide range of specialised applications



### Trusted OEM partnerships

Long-standing collaborations with major global OEMs, reflecting strong brand recognition, engineering credibility, and product performance



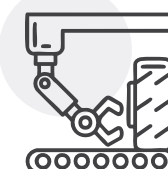
### Experienced management team

A highly competent management structure with expertise across business divisions and all verticals



### Global distribution network

Sales to over 160 countries through Distribution network in the Americas, Europe, India and the rest of the world



### Capacities

- **Tire manufacturing capacity:** Achievable output of 360,000 MTPA
- **Carbon Black:** In-house achievable capacity of 200,000 MTPA, including 30,000 MTPA of high-value advanced carbon material

## What this delivers

These strengths translate into powerful business outcomes: with firm operational foundations and a superior product mix, BKT anticipates significant EBITDA growth, sustained profitability, and continued returns. We are poised to execute our strategy with clarity, confidence, and catalytic impact.



Global presence and reach

# **Built in India.** **Trusted worldwide.**

From European farmlands to Australian mines, from construction sites in North America to industrial centres around the world, BKT tires are where the world moves. Our expanding global reach reflects the trust placed in us by industries that demand strength, reliability, and performance in every condition.

As we enter new categories and markets, our presence continues to evolve – reaching new customers, deepening strategic partnerships, and reinforcing brand recognition across borders.

## India

India serves as the strategic hub of BKT's global operations. Our R&D, manufacturing, quality control, and customer service systems are centralised here, powering operations across every continent.



**Bhuj** – our flagship plant, is a symbol of vertical integration and industrial ambition, hosting tire and carbon black production, testing facilities, and logistics infrastructure. India is also the command centre for our global aftermarket distribution and service, ensuring rapid, efficient support to replacement markets worldwide.

## Europe

BKT Europe, based in Seregno, Italy, leads global marketing, brand communication, and sponsorship strategy. It also coordinates BKT's global OEM partnerships, supporting key accounts across continents and ensuring consistency in brand experience, product integration, and relationship management.

In addition, Europe hosts our Field Engineering division, which oversees technical support and product consultancy across the region. This on-ground presence strengthens our ability to deliver application-specific solutions, enhance performance, and maintain close relationships with distributors and end users.

### BKT Space – Milan, Italy

BKT Space is a fully immersive experience centre bridging our brand with partners and customers. Designed for learning, collaboration, and co-creation, it reflects BKT's values, innovation mindset, and future-forward vision.

## United States

Our Akron, Ohio office manages BKT's sales operations across both the replacement and OEM channels in the US.

- Agricultural Tires are distributed via a network of national distributors and associate dealers.
- OTR Tires are supported through servicing dealers, backed by inventory from our two strategically located warehouses.

## Canada

BKT Canada operates with a lean, responsive structure, strengthening relationships with dealers and customers and expanding brand presence in a highly dynamic market.



### Production Facilities

#### Tire Manufacturing

- Waluj (Maharashtra)
- Bhiwadi (Rajasthan)
- Chopanki (Rajasthan)
- Bhuj (Gujarat)

#### Carbon Black Manufacturing

- Bhuj (Gujarat)

#### Mould Manufacturing

- Bhuj (Gujarat)

#### Drum Manufacturing

- Dombivli (Maharashtra)

#### Wind Farm

- Jaisalmer (Rajasthan)



### International Subsidiaries

BKT EUROPE S.R.L.  
BKT USA INC  
BKT TIRES INC  
BKT TIRES (CANADA) INC



### Corporate Office

Mumbai (Maharashtra)





Feature – Tractor of the Year

# Powering the future of farming

Each year, Tractor of the Year highlights breakthroughs in efficiency, sustainability, and performance – values that mirror BKT's own purpose-driven approach. From next-gen engineering to smart tech integration, these machines are powering rural transformation and food security across the world.

BKT proudly stands beside the innovators shaping the future of farming. This partnership is a reaffirmation of our deep-rooted commitment to agriculture, where our journey began.

Official Sponsor of the

## Tractor of the Year awards

(Europe's most prestigious recognition for excellence in agricultural machinery)





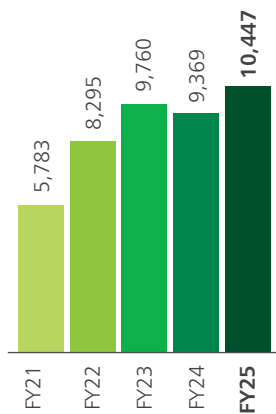


# Precision-led performance

FY 2024-25 was a landmark year for BKT, with record volumes and industry-leading margins underscoring the strength of our business strategy. Our financial performance affirms our resilience, positions us to scale into new growth avenues, and fuels sustained stakeholder value creation.

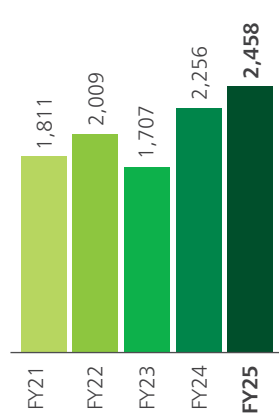
## Sales

(₹ in Crores)



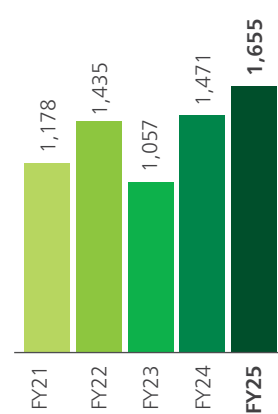
## Operating Profit

(₹ in Crores)



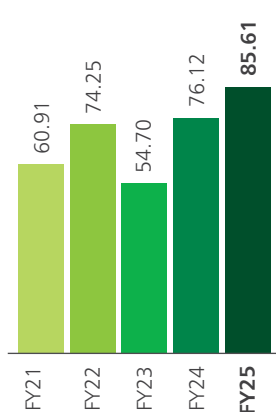
## Net Profit

(₹ in Crores)



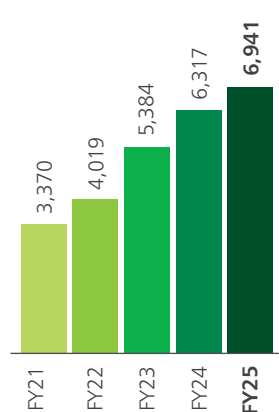
## EPS

(₹)



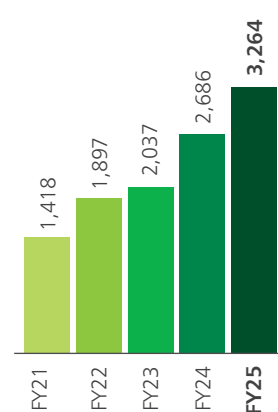
## Fixed Assets

(₹ in Crores)



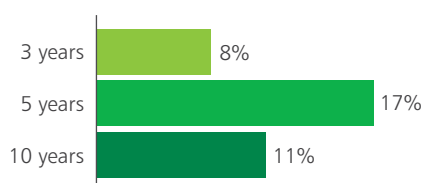
## Investments

(₹ in Crores)

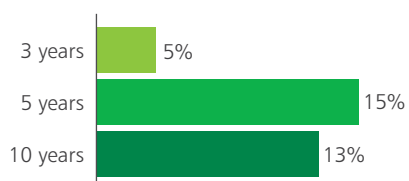


Consolidated Figures

### Compounded Sales Growth



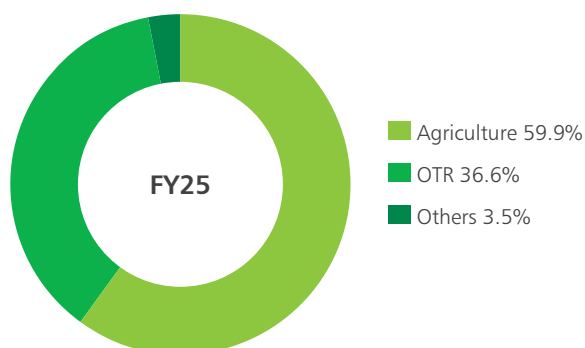
### Compounded Profit Growth



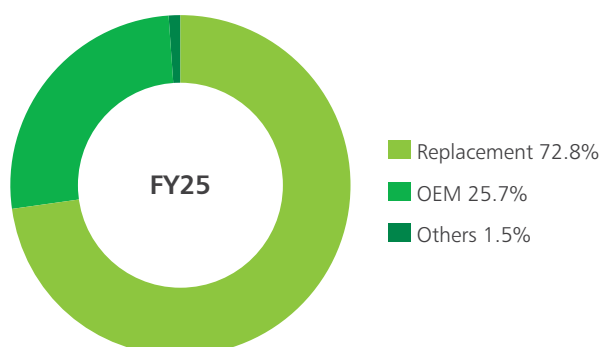
### Return on Equity



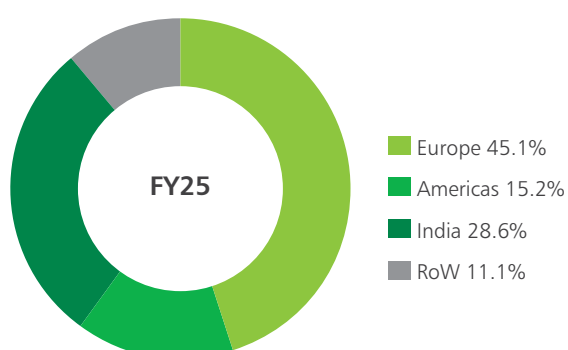
### Segmental Sales



### Channel Sales



### Geographical Sales







# Built to outperform

In FY 2024–25, BKT advanced across all core and emerging segments, translating strategic intent into tangible progress. From reinforcing our leadership in Off-Highway tires to scaling our Carbon Black operations and entering Premium Passenger Car Radial (PCR) and Commercial Vehicle Radials (CVR), every business line contributed to a performance that was both balanced and forward-looking.

Our momentum is rooted in data-driven decisions, targeted investments, and a deep commitment to understanding evolving market needs. This approach continues to unlock value across global markets.





## Off-Highway Tires

**Market trends:** Demand across agriculture, construction, mining, and industrial segments remained robust. Rising commodity prices and renewed infrastructure investment sustained global growth in OHTs.

**Our response:** We reinforced our industry leadership by expanding capacity (including rubber tracks and industrial tires), investing in brand recall across markets, and enhancing global distribution infrastructure.

**Outlook:** Expect continued volume growth driven by OHT adoption in emerging markets and infrastructure recovery. We aim to maintain or increase OHT's ~70% share of enhanced revenue by FY 2029-30.

[Read more about this on Page 58](#)

## Carbon Black

**Market trends:** Carbon black remains a fast-growing market with rising demand for colour stability, UV shielding, and performance enhancement in rubber products.

**Our response:** Our 200,000 TPA carbon black facility, supported by the 3550 LAB R&D centre, anchors BKT's approach to vertical integration and material innovation. New formulations are tested directly on-site at Bhuj, enabling agile development, faster validation, and superior consistency.

**Outlook:** By FY 2029-30, we target carbon black to contribute ~10% of revenue via third-party sales, building on market dynamism and our technical expertise.

[Read more about this on Page 58](#)

## Premium Passenger Car Radial (PCR) and Commercial Vehicle Radial (CVR) tires

**A new category. A bold expansion.**

**Market trends:** The global rise in mobility demand, the shift toward electric vehicles, and stricter safety and emission regulations are accelerating growth in the Premium Passenger Car Radial (PCR) and Commercial Vehicle Radial (CVR) segments. These trends are redefining expectations around performance, durability, and compliance.

**Our response:** BKT is entering this category through a modular strategy, leveraging existing plant capacity and the strength of its brand reputation. Initial product lines have been launched in selected markets, setting the stage for broader scale-up. The approach combines manufacturing agility, premium positioning, and long-term brand investment.

**Outlook:** PCR/CVR is expected to account for ~20% of enhanced revenue by FY 2029-30. Success will hinge on premium product positioning and sustained brand-building efforts.

[Read more about this on Page 58](#)

## Outlook

Looking ahead, BKT expects to sustain its growth trajectory through continued recovery in Off-Highway demand and the progressive rollout of Premium Passenger Car Radial (PCR) and Commercial Vehicles Radial (CVR) tires. Financial projections indicate stable blended margins in the range of 23% to 25%, following full-scale commercialisation. With optimised capacity utilisation, a strong balance sheet and a net cash position, BKT is well-equipped to scale in a responsible manner and strengthen its global market presence while continuing to create long-term value for all stakeholders.





Strategic levers

# Laying the groundwork for growth

Backed by a robust five-year strategic plan, we have set our sights on an ambitious revenue milestone of ₹23,000 Crores by FY 2029-30. This growth trajectory is anchored in three key strategic levers, each designed to amplify our competitive advantages and translate our long-term vision into measurable results.



1



### Strengthening our Off-Highway Tire (OHT) leadership

The Off-Highway Tire segments remain the cornerstone of our portfolio and our most significant lever for future growth. By deepening our presence across global agriculture, construction, and mining markets, we aim for OHT to contribute approximately 70% of our enhanced revenue by FY 2029-30.

This ambition is backed by sustained investments in innovation, distribution capabilities, and product performance, reinforcing our leadership in the world's most demanding terrains.

2



### Unlocking value from Carbon Black

What began as a backward integration initiative has evolved into a growth engine in its own right. With a production capacity of 200,000 MT per year and expanding R&D capabilities, BKT is now focusing on scaling third-party sales of carbon black. By FY 2029-30, this business is expected to contribute around 10% to our enhanced revenue, unlocking new value across the supply chain and diversifying our income streams.

3



### Entering new tire categories

To complement our Off-Highway legacy, we are entering new tire segments: Premium Passenger Car Radial (PCR) and Commercial Vehicle Radial (CVR) tires for the Indian market. This move opens access to a significant and growing addressable market and is expected to contribute approximately 20% of our enhanced revenue by FY 2029-30. While this lever will build momentum gradually, its most significant impact is projected in the second half of our strategic journey.



Message from the Chairman and Managing Director

# In motion, with meaning

At BKT, every milestone is part of a larger journey – one guided by enduring values and a clear sense of direction. Over the years, we have evolved from a focused Off-Highway tire manufacturer into a diversified, global company. FY 2024–25 has been a defining chapter in this journey.





What began as a focused ambition to deliver world-class Off-Highway Tires (OHT) from India to the world has evolved into something much broader. As we set our sights on new roads – new product categories, new technologies, and new customer segments, we continue to move in the same direction: forward, responsibly, and with a long-term view.”

### Arvind Poddar

Chairman and Managing Director

### Riding the currents of change

The global mobility ecosystem is evolving amid a complex blend of challenges and accelerators. Inflationary pressures and geopolitical instability have tested the resilience of global markets, yet core sectors - infrastructure, construction, agriculture, and logistics - remain fundamentally robust. These industries are gaining momentum through public investment, energy transition, and a growing shift toward integrated, globalised supply chains.

At the same time, volatility in raw material markets, particularly in natural rubber and carbon black, has underscored the need for sourcing agility and backward integration. These are areas where BKT has already taken decisive action, reinforcing our resilience ahead of the curve.

On the demand side, we are witnessing a clear pivot: customers across industries increasingly expect smarter, longer-lasting, and more environmentally responsible tire solutions. We see this not just as a trend but as a structural shift in market expectations, and a compelling opportunity for BKT.

In this context, our strategic entry into the Premium Passenger Car Radial (PCR) and Commercial Vehicle Radial (CVR) tire segments is a timely and intentional step. It is not merely diversification; it is a natural extension of our core strengths - engineering precision, quality assurance, and scalable manufacturing.

With India's economy expanding, personal mobility on the rise, and logistics networks becoming more sophisticated, we are confident that our entry into these categories will create lasting value.

### Strategic progress: Staying ahead, staying true

This year has marked a phase of decisive progress in BKT's transformation journey, driven by strategic clarity and strong execution. Aligned with our five-year ₹23,000 Crores strategic roadmap, our entry into the Premium Passenger Car Radial (PCR) and Commercial Vehicle Radial (CVR) tire segments in India is projected to contribute approximately 20% of enhanced revenue by FY 2029–30, with rollout scheduled in phases. This modular approach, which begins with the replacement market, lays the foundation for a broader presence in mainstream mobility over time.



## Message from the Chairman and Managing Director

On the manufacturing front, we continue to expand and future-proof our facilities. Our Bhuj plant – already a key hub of innovation – has received fresh investments in advanced carbon black production, track tire capacity, and radial infrastructure. The commissioning of our high-value carbon black facility and mould plant highlights our belief in vertical integration as both a hedge against input volatility and a pillar of quality control.

At the core of this momentum is a culture of applied innovation. Our in-house R&D continues to deliver solutions tailored to real-world challenges - whether it's enhancing durability, improving fuel efficiency, or validating performance through advanced protocols at our dedicated tire test track. And as we scale, we do so responsibly, integrating ESG practices throughout our value chain – from circular energy use and water stewardship to community engagement and workforce well-being.



**We are on track to achieve ₹23,000 Crores in revenue, driven by our three strategic levers."**

### Stewardship that scales with strategy

Our progress is powered not only by ambition but by governance grounded in integrity and foresight. At the core of BKT's forward momentum lies a robust governance framework that anchors every decision, investment, and innovation in integrity and transparency. Under the guidance of a diverse and experienced Board, sustainability has been woven into the very fabric of our governance. Our Enterprise Risk Management (ERM) system is continuously updated to anticipate global shifts - from supply chain disruptions and regulatory change to emerging ESG priorities. Ongoing dialogue between management and the Board ensures that our strategy remains agile, tested and aligned with stakeholder expectations.

One clear example of this governance in action is the active oversight by our Audit Committee, which monitors risks, internal controls, and cybersecurity preparedness. Likewise, our Business Responsibility and Sustainability Committee plays a critical role in embedding ESG considerations into every expansion, whether ramping up radial tire production or scaling carbon black capacity. These governance pillars provide confidence that our growth is as responsible as it is ambitious.

### Playing in the big league

We are proud to partner with some of the world's most esteemed sporting arenas - playing in the highest league of brand presence. As Official Tire Partner of Monster Jam since 2014, and title sponsor of top-tier leagues like Italy's Serie BKT, France's Ligue 2 BKT, the United Rugby Championship, and the BKT EuroCup in basketball, our brand is on centre stage in front of global audiences. In India, we are equally visible, most recently as the official tire partner to seven leading T20 cricket franchises, bringing BKT's message of performance, reliability, and collective spirit to millions of passionate fans. These partnerships reflect our confidence in carrying the BKT name alongside elite brands and in inspiring fans through sport and shared values.

### Clear goals. Shared resolve.

As we look towards FY 2029–30, our direction is well defined. We are on track to achieve ₹23,000 Crores in revenue, driven by our three strategic levers: consolidating our leadership in Off-Highway tires (70% of revenue), unlocking new value streams through carbon black (10%), and building long-term momentum in the PCR and CVR segments (20%).



But numbers alone do not define who we are or where we are going. What will shape BKT's next chapter is the shared purpose that binds our people, the values that inform our decisions, and the unity that drives us forward. From test tracks in Bhuj to replacement markets across city streets, every milestone we reach is a reflection of collective intent.

We are not only expanding our operations – we are shaping a new legacy. A legacy built on innovation, driven by integration, and sustained by trust. Trust in our processes, our people, and the future we are creating together.

Let us continue this journey with the same determination that earned us global respect and the same openness that will guide us through the roads yet to be drawn.

### Gratitude for the road ahead

To the Board of Directors, to our leadership team, and to every BKT colleague around the world – your unwavering dedication and integrity continue to shape the strength of our enterprise. Your work is the compass that guides our evolution.

To our customers, partners, distributors, and communities - your enduring trust is the true measure of our success. It compels us to honour every promise and raise the bar at every step.

To our investors and stakeholders - your belief in our vision sustains our long-term ambition and drives us to lead with courage, responsibility, and foresight.

As we advance along new roads, we remain anchored in the same direction – toward a future where excellence is not an aspiration but a shared responsibility. A future we are proud to build - together.

Thank you.

**Arvind Poddar**

Chairman and Managing Director



As the Official Tire Partner of Monster Jam since 2014, and title sponsor of top-tier sports leagues, our brand is on centre stage in front of global audiences”.



Message from the Joint Managing Director

# Charting new roads with purpose

The past year has powerfully reaffirmed the enduring value of long-term thinking, operational excellence, and unwavering commitment to our core purpose. In a time defined by disruption and acceleration, BKT has not only stayed its course – it has laid the foundation for a broader, more inclusive future. FY 2024–25 has been a year of decisive choices and purposeful momentum.





Our journey has always combined foresight with flexibility. And today, as we venture onto new roads, we do so by drawing on the same capabilities that have made BKT a trusted name worldwide: engineering depth, manufacturing discipline, and a relentless focus on customer value.”

**Rajiv Poddar**

Joint Managing Director

Guided by our strategic ambition for 2030, we made significant headway across our principal growth pillars: strengthening our leadership in the Off-Highway Tires (OHT) segment, deepening integration in our carbon black business, and initiating our foray into new tire categories for India. Importantly, we achieved these milestones while maintaining robust performance on our financial and operational metrics. Our journey has always combined foresight with flexibility. And today, as we venture onto new roads, we do so by drawing on the same capabilities that have made BKT a trusted name worldwide: engineering depth, manufacturing discipline, and a relentless focus on customer value.

### **Delivering results while building for the future**

FY 2024–25 stands as a defining testament to BKT’s readiness to shape the future of mobility with intent and conviction. In a landscape marked by economic headwinds and global uncertainty, our performance demonstrated the resilience of our model and the strategic clarity that guides our every move.

We achieved our highest-ever annual volumes at 315,273 MT, marking an 8% increase year-on-year. Standalone revenue rose by 12% to ₹10,413 Crores, and EBITDA grew by 11% to ₹2,955 Crores. Net profit stood at ₹1,628 Crores, reflecting a 13% year-on-year growth.

These results are not coincidental; they reflect rigorous execution, disciplined capacity planning, and the enduring strength of our core Off-Highway business.

More importantly, they reaffirm that we are well-equipped to explore new dimensions of growth, guided by the same principles that have positioned BKT as a global force.

### **Anchored in leadership. Powered by leverage.**

Off Highway Tires (OHT): OHT remains the cornerstone of our identity across agriculture, mining, construction, and rubber-track applications. BKT continues to be a trusted partner for customers in over 160 countries. Our unwavering commitment to quality, product customisation, and market proximity has translated into sustained gains in global market share.



## Message from the Joint Managing Director

We are now preparing for the next leap: expanding our installed capacity to 425,000 MTPA, with the ambition of capturing an 8–10% global market share in the years ahead. This bold step is underpinned by our differentiated product range, strong distribution, and brand equity across continents.

**Carbon Black Integration:** The expansion of our carbon black plant – from 200,000 to 360,000 MTPA represents a strategic lever for greater operational agility and long-term resilience. This growth is complemented by the commissioning of a 24 MW co-generation power unit at Bhuj, which strengthens our energy efficiency and reinforces vertical integration. By FY 2029–30, we expect third-party sales from our carbon black operations to contribute approximately 10% of enhanced revenues, while also reinforcing our leadership in sustainable manufacturing practices.



**Our participation in the Indian Premium PCR and CVR markets opens access to an addressable space of ₹80,000 Crores, where our ambition is to capture a 5% market share by 2030.”**

**New Segments – Premium PCR & CVR Tires:** Our strategic vision for the years ahead includes extending our proven strengths into adjacent segments. In FY 2025–26, we will commence a pilot launch of Commercial Vehicle Radial (CVR) tires, followed by the Passenger Car Radial (PCR) pilot in FY 2026–27. These modular entries are strategically planned, backed by robust R&D and process readiness. The opportunity is significant – our participation in the Indian Premium PCR and CVR markets opens access to an addressable space of ₹80,000 Crores, where our ambition is to capture a 5% market share by 2030. This marks a natural progression that leverages our core strengths while opening a new chapter in mainstream mobility.

### **Building with people, growing with purpose**

Our journey of growth is not defined solely by capacity expansion or market presence. It is rooted in our people, who continue to be the true engine of our progress. FY 2024–25 was a year focused on strengthening this foundation, with a clear focus on talent acquisition, capability building, and the cultivation of a shared culture aligned with our five-year strategic roadmap.

We accelerated campus hiring across India, bringing in young professionals who represent the next generation of BKT. In parallel, we invested in upskilling existing teams through structured learning and development programmes. This dual approach helps us build a future-ready talent pipeline - essential as we move into new domains such as PCR and CVR tires.

We also continued our efforts to modernise HR processes, with Darwinbox now implemented across all units. This platform enhances agility in performance management, streamlines self-service workflows, and improves visibility over contract workforce administration.

However, our growth is not limited to business metrics. Through the BKT Foundation and focused CSR initiatives, we remained engaged with the communities around us – supporting education, vocational training, healthcare access, and rural development. These initiatives reflect our belief that progress must be inclusive and that long-term success is shared success.



## Shaping what's next

As we step into FY 2025–26, our strategic direction is clear. We will continue to:

- Advance our three levers of growth – Off-Highway Tires, Carbon Black, and the new India-focused PCR/CVR segments;
- Along with already announced capex of 35,000 metric tonnes and some debottlenecking, OHT achievable capacity will be 425,000 metric tonnes per annum. Ramp up pilot-scale production of CV radials from Q4 FY 2025–26 and initiate planning for the PCR launch in FY 2026–27;
- Expand Carbon Black capacity from 200,000 to 360,000 MTPA and integrate the 24 MW co-generation power plant, reinforcing energy efficiency and revenue diversification;
- Strengthen our ESG commitments, especially around energy circularity, product traceability, and next-gen material science;
- Elevate brand equity through sharper customer segmentation, enhanced dealer engagement, and focused marketing campaigns.

With these initiatives, we are well on track to achieve our ₹23,000 Crores revenue aspiration by FY 2030, backed by innovation, execution, and a robust operational backbone.

## Staying the course

As we step into new tire categories and expand into new markets, our philosophy remains unchanged: customer-first, innovation-led, and purpose-driven. The external landscape may evolve with speed and complexity, yet BKT moves forward with the same clarity of purpose and steady conviction that have guided our journey thus far.

To all our stakeholders - thank you for your enduring trust.

We look to the future not with hesitation, but with hope.

Not as a challenge to withstand, but as a horizon to shape.

Together, let us build more than growth: let us build impact, meaning, and legacy.

Tire by tire, idea by idea, step by step.

Warm regards,

**Rajiv Poddar**

Joint Managing Director



Our journey has always combined foresight with flexibility. And today, as we venture onto new roads, we do so by drawing on the same capabilities that have made BKT a trusted name worldwide: engineering depth, manufacturing discipline, and a relentless focus on customer value.”



Key brand partnerships

# The power of playing together

Our brand partnerships are an extension of our spirit: bold, agile, and built for performance. Through our global partnerships, we align with the virtues that define both elite athletes and enduring companies: perseverance, teamwork, respect, and the pursuit of excellence. From the adrenaline of motorsport to the elegance of curling, from the thrill of T20 cricket to the strategic brilliance of rugby and football, BKT continues to play in the league of champions.

Official Tire Partner of

## Monster Jam

since 2014









## The spirit behind the sponsorship

At BKT, sport is a language of shared values. Every field we support mirrors our own journey - one built on resilience, integrity, and the will to grow together. These partnerships go beyond sponsorships; they represent shared commitments to inspire, lead with fairness, and create meaningful change.

We believe that playing together means building together – a future that is inclusive, courageous, and purpose-driven.

Our collaborations are also platforms for impact. From renovating basketball courts in Berlin, Athens, and Istanbul to upgrading football facilities in Italy and the UK, we work with rights holders to create accessible, community-focused spaces. Over the past five years, we have launched more than ten CSR initiatives to revitalise play areas and promote physical activity.

This is how we turn the power of sport into lasting impact – on and off the field.



## Visibility that drives value

BKT's strategic investments in sports go far beyond visibility; they deliver tangible returns in brand equity, audience engagement, and global reputation. Across all our sponsorships, we generate over ₹80 million in media value annually, driven by our presence across television broadcasts, digital platforms, live events, and extensive media coverage.

Our brand resonance is especially strong in Italy and France, where we serve as the title sponsor of Serie BKT and Ligue 2 BKT, respectively. In these key markets, brand awareness exceeds 50% in Italy and 40% in France, not just in name recognition but in audience recall and positive association.

Importantly, more than 50% of respondents across all BKT-sponsored properties associate the brand with our core identity: agricultural tires. This clear and consistent message alignment is a testament to the effectiveness of our communication strategy.

We take pride in being the longest-standing partner in Serie B's history - a relationship that reflects our deep-rooted commitment to partnerships that endure. This same spirit continues with recent renewals of our collaborations with URC and LaLiga, and the signing of a five-year sponsorship agreement with the Six Nations Championship, beginning in 2025.



## Key sponsorships

- **EuroLeague Basketball:** Premium Partner since 2020 and Title Sponsor of the BKT EuroCup since 2023, reaching millions of fans across Europe
- **BKT United Rugby Championship:** Title Sponsor since 2022, strengthening our presence in high-impact, international tournaments
- **Six Nations Rugby Championship:** Official Tire Partner, associating BKT with one of the world's most prestigious and historic rugby events
- **T-20 cricket league:** Proud supporter of iconic franchises in T-20 cricket leagues, anchoring our appeal to youth and cricket fans in one of the world's largest sporting leagues
- **Monster Jam:** Partner since 2014. This long-standing collaboration showcases BKT's engineering strength in high-performance, extreme conditions while connecting with diverse, family-oriented audiences across North America
- **LaLiga (Spain):** Official sponsor of Spain's top-tier football league, reinforcing our brand in a sport followed passionately across continents
- **The Hundred (UK Cricket):** Partner of the dynamic, fast-paced tournament designed to engage younger audiences and families
- **Ligue 2 (France):** Title sponsorship of the French second-division football league, combining grassroots engagement with national visibility
- **Curling Canada:** Title Sponsor of the World Championships, extending our footprint into North America's winter sports community
- **Serie BKT (Italian Soccer):** Title Sponsor of Italy's second division since 2018, reinforcing BKT's commitment to sports with strong local roots and national reach
- **Big Bash League (Australia):** Official Off-Highway Tire Partner and sponsor of the Golden Cap Awards
- **Farming Simulator Challenge:** Partner since 2021, exploring the intersection of agriculture, youth culture, and digital innovation through e-sports





Feature – The Bhuj growth story

# Bhuj: The epicentre of BKT's manufacturing might

Located in Gujarat, approximately 60 kilometres from the strategic Port of Mundra, the Bhuj facility stands as BKT's largest and most advanced production site to date. Commissioned in 2015 with a bold \$500 million investment, Bhuj exemplifies BKT's commitment to building future-ready infrastructure in strategically significant locations.





## Engineered for scale. Built for the world.

Bhuj is designed for an annual achievable capacity of over 200,000 tonnes. Equipped with cutting-edge compound mixers, automated steel ring lines, and state-of-the-art vulcanising presses, the plant is built for both volume and precision.

A dedicated area is reserved for OTR Giant Tires, including the flagship EARTHMAX SR 468, built for rigid dump trucks operating under extreme mining conditions.

Every process adheres to globally recognised certifications, including ISO 9001, ISO 14001, ISO 45001, and ISO/IEC 17025, ensuring quality, safety, and sustainability across the value chain.

## Innovation, designed in-house

At BKT, innovation is engineered from within. Our Bhuj facility is home to BKT's proprietary tire design and development ecosystem, where highly skilled engineers lead the creation of cutting-edge products for diverse terrains and specialised applications.

From forestry and snow tires to rubber tracks and solid industrial products, each solution is designed, tested, and validated internally using advanced CAD modelling, FEM analysis, and both indoor and outdoor testing protocols. This integrated approach

combines deep technical expertise with cutting-edge simulation tools to predict real-world performance, shorten development cycles, and deliver precisely engineered solutions aligned with evolving market demands.

With over 75 new SKUs developed annually, our in-house R&D capability is the engine powering our global portfolio. Every tire begins with BKT's own blueprint and ends with performance our customers can trust.

## Performance proven on our test track

At Bhuj, BKT operates a world-class, 25-acre outdoor tire testing track, the first of its kind by any tire manufacturer in India. Designed to European standards, this facility simulates real-world conditions, enabling us to rigorously evaluate every tire before it reaches the market.

From traction and braking to fuel efficiency, comfort, and soil compaction, the track covers eight specialised agriculture tire tests that were once outsourced to Europe - now conducted entirely in-house.

This advanced testing ecosystem empowers BKT to accelerate development, improve reliability, and ensure each tire performs exactly as promised - on any terrain, in any condition.

This rigorous testing ecosystem allows BKT to validate every tire's performance across multiple parameters, ensuring unmatched reliability before market release.

In addition to internal protocols, BKT collaborates with leading independent institutions to validate selected products. For example, the AGRIMAX V-FLECTO, featuring VF (Very High Flexion) technology, has been tested by DLG in Germany, confirming its performance across critical parameters such as traction, soil protection, and fuel efficiency. These third-party validations reinforce our commitment to transparency and excellence, ensuring that our most advanced tires meet the highest international standards.

## A landmark in manufacturing excellence

The Bhuj plant is a symbol of BKT's global leadership in Off-Highway tires. It reflects a bold vision backed by deep technical expertise, operational excellence, and a relentless pursuit of quality.

As BKT expands into new segments and geographies, the Bhuj facility remains central to its ambitions - powering product innovation, driving global standards, and strengthening the company's position as a technology-driven, future-ready tire manufacturer.



Feature – Entering new tire categories

# From field to freeway

India's economic momentum is reshaping the mobility landscape, and with it, the demand across all tire categories is rising sharply. At BKT, we are preparing to meet this opportunity head-on. As part of our long-term growth strategy, we are entering new tire verticals for the Indian market, marking a pivotal step in our evolution from a specialist to a broader mobility partner.







## Why now? Why BKT?

Our decision to enter the Premium Passenger Car Radial (PCR) and Commercial Vehicle Radial (CVR) segments is guided by multiple converging strengths:

- A rapidly growing Indian market across all tire categories
- A proven track record: Over the past five years, we have built a 15%+ share in the Indian agricultural replacement tire market
- Strong brand equity backed by strategic investments in awareness and trust
- A successful all-steel radial platform, which provides the technological foundation for high-performance on-road tires

Expanding our product portfolio will significantly enhance our brand visibility and allow us to reach a wider and more diverse customer base. We firmly believe that each of our product lines will complement the others, creating a cohesive and comprehensive offering that addresses the varied needs of our customers.

By FY 2029-30, these new verticals are expected to contribute approximately 20% of our enhanced revenue, enabling BKT to tap into an additional ₹80,000 Crores non-OHT addressable market within India alone.

## Phased and focused entry

- **Commercial Vehicle Radial (CVR):**  
Pilot launch in Q4 of FY 2025–26, followed by a calibrated ramp-up
- **Premium Passenger Car Radial (PCR):**  
Pilot launch in Q3 of FY 2026–27, with phased scaling thereafter

Our initial focus will be on the replacement market, where brand, performance, and reliability matter most, and where BKT is well-positioned to differentiate and win.

## The road to 2030

By entering new tire categories, BKT is redefining its role in India's mobility revolution. Our target is clear: by FY 2029–30, we aim to capture 5% of the non-OHT market and emerge as a full-range, future-ready tire manufacturer. One brand. Every road. All journeys.



ESG approach

# Treading responsibly. Leading decisively.

Our ESG strategy is focused on embedding environmental, social, and governance principles into every layer of our business – from how we design our products to how we treat people and engage with stakeholders. Our approach to ESG is intentional, transparent, and designed to evolve alongside the needs of our customers, communities, and the planet.



## A framework aligned with global benchmarks

Our ESG framework is guided by globally recognised standards, including the United Nations Sustainable Development Goals (UN SDGs), the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), and SEBI's Business Responsibility and Sustainability Reporting (BRSR) guidelines. Built on the pillars of environmental stewardship, social responsibility, and ethical governance, the framework ensures accountability, transparency, and continuous improvement across our operations.

We strive to uphold the highest standards of corporate citizenship, ensuring that our sustainability actions today help build a better tomorrow for our customers, communities, and the planet.

## ESG Governance: Board-led. Action-oriented.

BKT's ESG agenda is steered from the highest level of the organisation. The Board of Directors and the Business Responsibility and Sustainability Committee (BRSC) provide oversight and strategic direction, supported by key management personnel and a dedicated sustainability team. The BRSC periodically reviews performance against defined ESG KPIs and ensures alignment with stakeholder expectations and regulatory frameworks.

Our governance practices are anchored in comprehensive policies, including the Code of Conduct, Anti-Bribery & Anti-corruption Policy, Diversity and Inclusion Policy, and others. These are integrated into our enterprise risk management framework and stakeholder engagement processes, reinforcing our commitment to ethical, responsible, and transparent business practices.

### Strategic ESG priorities: Progress that's measurable

Our approach to ESG is both strategic and outcomes-driven, centred on four core themes.



Climate  
resilience



Circularity



Inclusive  
growth



Integrity-led  
governance

In FY 2024–25, we demonstrated tangible progress across these priorities:

**98.17%**

of total waste generated was recycled or reused

**36,177**

GJ of renewable energy was consumed

**21.37%**

YoY reduction in non-renewable grid electricity consumption

**14.92%**

YoY reduction in total waste

**7,306**

tCO<sub>2</sub>e emissions avoided through renewable energy

**14.85**

GJ energy intensity per tonne of production

**2.03%**

reduction in water intensity

**100%**

of manufacturing sites ISO 9001:2015 certified



# Traction with a lighter footprint

As a global tire manufacturer operating across varied geographies and terrains, we are committed to reducing our environmental impact without compromising on performance or reliability. Our environmental strategy combines technological innovation with responsible resource management - from investing in cleaner production systems and circular material use to optimising energy efficiency and water stewardship across all our plants. Built on a foundation of compliance and forward-looking action, this approach reflects our duty to the planet and future generations.

## Focus areas

Sustainable Strategy for  
Climate Resilience

Energy Management

Emission Management

Waste Management and  
Circular Economy

Water Stewardship







Biodiversity Protection

## Linking with UN SDGs





## Key initiatives

Area	Our approach and activities	Measure
 <b>Sustainable Strategy and Climate Resilience</b>	<p>Targeted efforts to enhance resource and energy circularity across operations through recycle and reuse.</p> <p>Climate Change study carried out during the reporting period.</p>	<ul style="list-style-type: none"> <li>• <b>32%</b> of renewable raw materials used</li> <li>• <b>2.10%</b> recycled content used</li> </ul>
 <b>Energy Management</b>	<p>Several energy efficiency-related improvements have been carried out to improve energy efficiency and reduce emissions.</p> <p>Increased focus on the recovery of energy from off-gases and utilisation of power in our operations.</p> <p>Targeted initiatives to improve energy efficiency.</p> <p>Increased sourcing of renewable energy in energy mix.</p>	<ul style="list-style-type: none"> <li>• <b>21.37% YoY</b> reduction in non-renewable grid electricity consumption</li> <li>• <b>36,177 GJ</b> of total energy consumed from renewable sources</li> </ul>
 <b>Emission Management</b>	<p>Strategic initiatives have been implemented to reduce emissions.</p> <p>Process optimisation to reduce air emissions resulting from operations.</p> <p>CEMS systems implemented at our major sites.</p>	<ul style="list-style-type: none"> <li>• <b>7306 tCO<sub>2</sub>e</b> avoided through renewable sources</li> <li>• <b>21.32% YoY</b> increase in energy consumed from renewable sources</li> <li>• Total Scope 1 and Scope 2 emission intensity per rupee revenue is <b>0.73 tCO<sub>2</sub>e/Lakh</b></li> </ul>
 <b>Waste Management and Circular Economy</b>	<p>Increased focus on waste recycling and reuse initiatives across operations.</p> <p>Dedicated drive to reduce use of plastic as well as plastic waste.</p> <p>Waste disposal is done through authorised recyclers only.</p> <p>Dedicated processes to manage hazardous and non-hazardous waste across all sites.</p> <p>Production-specific initiatives to reduce waste generated across various aspects of manufacturing operations.</p>	<ul style="list-style-type: none"> <li>• <b>98.17%</b> of total waste generated was either recycled or reused</li> <li>• <b>14.92% YoY</b> decrease in total waste generation</li> <li>• <b>16.29% YoY</b> decrease in plastic waste generated</li> </ul>
 <b>Water Stewardship</b>	<p>Implementation of wastewater treatment measures such as STP, ETP, RO and ZLD.</p> <p>Measures implemented across sites for rainwater harvesting.</p> <p>Initiatives aimed to reduce freshwater consumption through increase of recycled, reused, and alternate treated water.</p>	<ul style="list-style-type: none"> <li>• <b>10.60% YoY</b> increase in total water withdrawal from third party outsourced treated water and <b>0.52% YoY</b> reduction in total water withdrawn from water stressed areas</li> <li>• <b>4.34 KL/MT</b> of production</li> </ul>
 <b>Biodiversity Protection</b>	<p>No operations in areas in or nearby protected areas or areas of high biodiversity value as defined by the relevant authorities.</p> <p>Plantation drives carried out inside and outside site premises, enhancing the overall biodiversity of the region.</p>	<p><b>35,701</b> new trees planted during the reporting period, covering an area of <b>19,177 m<sup>2</sup></b></p>



# Strong tires. Stronger teams.

At BKT, our people are central to our purpose. As a company known for building world-class Off-Highway and now expanding into Premium Passenger Car Radial (PCR) and Commercial Vehicle Radial (CVR) tires, we understand that our long-term success depends on the well-being, empowerment, and growth of our workforce. That's why we've built a culture where safety is a priority, learning is continuous, diversity is embraced, and human rights are respected. A culture that inspires individuals to perform at their best while staying true to who they are.

## Focus areas

Labour Management and  
Human Rights

Training, Education  
and Wellbeing

Diversity, Equity and Inclusion

Prioritising Occupational  
Health and Safety









## Learning as a way of life

Continuous learning is woven into the fabric of our organisation.

We offer a range of structured training and skill development programmes tailored to different roles and levels. From technical upskilling to leadership development, our initiatives are designed to build a workforce that evolves with the business. Regular performance evaluations, supported by structured feedback mechanisms, ensure that every team member has a clear growth path. Fair compensation, incentives, and recognition programmes further reinforce our belief that performance and well-being go hand in hand.

In FY 2024-25, we also conducted specialised training for our Board of Directors on ESG and Cybersecurity, reflecting our commitment to fostering knowledge and awareness across all levels of the organisation.

# 4,36,484+

hours training provided to employees and workers

# 3,040

Training sessions held in FY25

## Safeguarding dignity and fairness

We are deeply committed to upholding the highest standards of labour practices and human rights across our operations. Our practices are aligned with internationally recognised frameworks, ensuring every employee, regardless of location or role, is treated with dignity and respect. Through proactive assessments and formal training initiatives, we work continuously to identify and address potential human rights risks, while also engaging with internal teams and external partners to foster awareness, sensitivity, and shared accountability.

# 0

Cases of human rights violation



## Building a culture of inclusion

At BKT, we recognise that diversity is the strength of our organisation. We are committed to shaping a workplace that mirrors the diverse communities and markets we serve – inclusive, equitable, and grounded in mutual respect. Our DE&I approach focuses on the retention and advancement of talent from under-represented groups, offering equitable access to learning, career progression, and leadership pathways. These efforts help us foster a culture of belonging, where everyone has the freedom to contribute authentically and thrive professionally.

## Putting safety first, always

Occupational health and safety are foundational to our culture. We have implemented stringent safety protocols across all our facilities, especially in areas involving hazardous materials and complex machinery. Through regular training, audits, and proactive wellness initiatives, we strive to continually reduce safety incidents and promote healthier work environments. From occupational safety to psychological well-being, we take a holistic view of what it means to create a workplace where people feel protected and valued.

0

Fatalities in the last three financial years

## People behind product excellence

Every BKT tire begins with the commitment of the people who design, develop, and manufacture it.

Our pursuit of quality is not just procedural – it is personal. We see product excellence as a shared responsibility, driven by our teams' expertise, integrity, and dedication. Across every facility, we strictly follow international quality and safety standards, and we maintain transparent systems to address concerns and continuously improve. By fostering a culture of accountability and innovation, we ensure our products not only meet expectations – they lead the way.

## Designing for sustainability

Our people are also leading the way when it comes to sustainable product design and lifecycle management. Through dedicated R&D, we are exploring new technologies and materials that enhance performance while minimising environmental impact. Equally important is how we approach the end of a tire's life – encouraging responsible disposal practices, material recovery, and circularity across the value chain. This mindset ensures that sustainability is not an afterthought but a design principle.

## The road ahead

As we expand into new markets and product categories, our culture remains the engine that drives us forward. It is a culture built on trust, inclusion, and a relentless pursuit of excellence – where safety is foundational, innovation a habit, and people the true differentiator. We take pride in those who shape our journey every day, knowing that the road ahead will be defined not just by where we go but by how we choose to get there: together, with purpose and conviction.





# Together, we make a difference.

Our commitment to communities – through the BKT Foundation and strategic partnerships with like-minded organisations – is deeply embedded in who we are. Whether it's supporting advanced healthcare in underserved regions, enabling access to quality education, or ensuring that children don't go to bed hungry, each initiative is a step toward a more equitable and compassionate society. Our approach is rooted in long-term partnerships, transparency, and a shared mission with the institutions we support.

## Focus areas

Education

Health

Rural Development







### Key initiatives

#### Advancing healthcare access and technology

BKT continued to invest in the strengthening of India's healthcare infrastructure by supporting critical medical institutions. This year, we donated a state-of-the-art robotic knee surgery machine to Shirodkar Hospital Trust at the Asian Institute of Medical Sciences (AIMS), Thane. This advanced equipment is expected to benefit hundreds of patients by improving surgical precision and recovery outcomes.

Our continued support to Tata Memorial Hospital, a national leader in oncology care, ensures that underprivileged patients receive access to quality cancer treatment and diagnostic services.

#### Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan (BAVP)

In collaboration with Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan, a respected charitable trust, BKT has supported the provision of quality healthcare in rural Marathwada. With BKT's consistent support, BAVP has strengthened its ability to provide critical post-surgery care and affordable treatments for underserved populations, alleviating both medical and financial burdens for countless families.

Under project expansion of the hospital infrastructure, the Company contributed to the expansion of the 4<sup>th</sup> floor of Hedgewar Hospital in Chhatrapati Sambhaji Nagar, Maharashtra through Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan (BAVP).

## 100%

of the patients are satisfied with the design and infrastructure of the 4th floor

## 60%

of the patients reported that they chose the hospital for easy accessibility



## KEM Hospital, Mumbai

BKT has supported the installation of the CUVIS Joint robotic system at KEM Hospital in Mumbai – an advanced technology featuring the ability to perform fully automated, highly precise arthroplasty for total knee replacement surgeries. BKT also helped in the establishment of a dedicated Sports and Rehabilitation Centre, aimed at enabling post-injury recovery and physical therapy for athletes and individuals in need of advanced rehabilitative care.

## Nourishing minds: Akshaya Patra Foundation

According to recent studies, 43 lakhs children in India, including 14 lakhs severely malnourished, face critical nutritional deficits, particularly in marginalised communities entrenched in poverty. BKT's partnership with The Akshaya Patra Foundation is helping change that. By supporting the Foundation's mid-day meal programme under the Government's PM POSHAN initiative, we are helping address classroom hunger and improve nutrition for children in marginalised communities. BKT Tires supported Akshaya Patra Foundation to service 23000 mid-day meals to improve the nutritional status of children studying in government and government-aided schools in Bhuj, Gujarat.

# 30,000

School children in Bhuj benefited from the initiative

## Learning that lasts: Muktang Education Trust

To champion educational equity, BKT partnered with Muktang Education Trust to bring inclusive, high-quality learning to Gokhale Road South Mumbai Public School.

Our support extends beyond students; it includes professional development and training for teachers, ensuring that learning outcomes are sustainable and far-reaching. This collaboration represents our belief that true educational transformation begins with empowered educators and holistic student development.

# 60%

of students reported feeling happy and enjoying coming to school

## Strengthening emergency care: Ambulances in Daman & Silvassa

BKT donated Tata Winger converted into Type D ambulances to Marwad Hospital and Shri Vinoba Bhawe Civil Hospital. These new emergency units have significantly strengthened medical response capabilities across Daman, Dadra, and Nagar Haveli.

## Supporting community infrastructure

In Bhuj, BKT continues its engagement with the local community through the ongoing development of a Community Hall for the Ahir Samaj. Once ready, it will provide a much-needed space for the community for social gatherings, events, and educational programmes.

## Beyond these efforts

In addition to these flagship programmes, BKT has supported several grassroots organisations, such as the following:

- The Child Welfare Trust (Bhuj)
- Sapna Shikshalaya (New Delhi)
- Sunshine Society (Noida)
- Enviro Creators Foundation
- Swasthya Vidhya Foundation
- Panna Narendra Dalal Charitable Trust (Mumbai), among others



## HUMANITARIAN COMMITMENT AT THE CORE: THE BKT FOUNDATION

Operating under the ethos 'We Care', the BKT Foundation has for over a decade worked to uplift communities through sustained investment in health and education. From improving access to medical care in India's underserved regions to funding education for underprivileged children both in India and abroad, the Foundation's reach and resolve continue to grow.

The BKT Foundation is the embodiment of BKT's deepest values — compassion, partnership, and progress.



# Accountability at every turn

As we continue to grow in scale and expand our global reach, we remain committed to upholding transparency, ethical practices, and decision-making driven by sustainability. Our corporate governance framework is embedded in our core operations, ensuring that stakeholder trust goes hand in hand with long-term value creation.

By integrating ESG considerations into every layer of governance – from board oversight and ethical procurement to digital security and responsible sourcing – we ensure that integrity, innovation, and accountability remain at the heart of how we lead.

## Focus areas

Economic Performance

Corporate Governance

Business Ethics and Compliance

Ethical Procurement

Sustainable Supply Chain

Innovation and Digitisation









## Economic performance

Sustainable growth at BKT is driven by a disciplined focus on long-term economic value creation.

Our financial performance reflects not only operational excellence but also our commitment to responsible business practices, innovation, and stakeholder value.

In FY 2024-25, we continued to strengthen our market position through strategic investments, capacity expansions, and entry into new product segments, including the Premium Passenger Car (PCR) and Commercial Vehicle Radial (CVR) Tire categories. These strategic decisions are guided by a clear understanding of market dynamics, customer needs, and long-term value drivers.

We align our economic objectives with our ESG commitments, ensuring that profitability is achieved in tandem with environmental care and social impact. Rigorous capital allocation, cost efficiency, and prudent risk management underpin our financial decisions, while transparent reporting builds trust with investors, regulators, and communities alike.

## Corporate governance

Our governance structure is designed to ensure transparency, effective oversight, and alignment with our strategic priorities. The Board of Directors plays an active role in risk mitigation, reputation management, and socially responsible investments. Regular engagement with stakeholders strengthens accountability, while our governance processes continue to evolve to meet the dynamic expectations of global markets and ESG standards.





## Business ethics and compliance

We foster a culture where ethical conduct is a fundamental expectation. Our decisions are guided by a robust ethical framework that emphasises fairness, transparency, and responsibility. We disclose both financial and non-financial data comprehensively, strengthening the trust we share with our stakeholders. We uphold ethical business practices across all functions and throughout our partner ecosystem, ensuring that integrity defines every transaction.

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**Cases of Bribery and Conflict of Interest against BOD and Employees**

## Sustainable supply chain

Our commitment to sustainability extends throughout our value chain. We prioritise local and responsibly sourced materials, continuously monitor supplier ESG performance, and foster awareness through targeted training programmes. By actively identifying and mitigating supply chain risks, we ensure that sustainability is a shared standard across our ecosystem.

## Ethical procurement

BKT has adopted a Sustainable Procurement Policy that upholds human rights, fair labour, and environmental stewardship. We work closely with vendors and partners to ensure compliance with ethical practices across sourcing, manufacturing, and logistics. Our procurement decisions are not driven by cost alone but by a holistic view of long-term sustainability and impact.

## Innovation and digitisation

We believe in digital transformation that serves both business performance and social responsibility. Sustainability is integrated into our innovation pipeline - from material research to design improvements. Our digital governance includes robust IT security systems, strong data privacy policies, and responsible data collection protocols. In line with our innovation strategy, we document all patents filed and granted annually.

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**percentage of data breaches involving personally identifiable information of consumers**

## BOARD STRUCTURE

### Board of Directors

Company's BRSR and SR are approved by the Board before submission to the annual general meeting.

### BOARD COMMITTEES: Audit Committee

Supervises the Company's internal control and financial reporting process.

### Finance Committee

Evaluates financial projections, revenue sources, cost estimates, and resource allocation to ensure alignment with strategic objectives.

### Nomination & Remuneration Committee

Formulates the criteria for determining qualifications, positive attributes, independence and remuneration of Directors to the Board.

### Stakeholders Relationship Committee

To deal with all matters related to addressing and resolving the grievances of the stakeholders of the Company.

### Risk Management Committee

Identifies, mitigates and controls various risks encountered by the Company with a view to prevent unacceptable losses and to keep such risk at or below predetermined acceptable levels.

### CSR Committee

Assists 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.

# Board of Directors



**Arvind Poddar**

Chairman, Managing Director and member of Business Responsibility and Sustainability Committee



**Rajiv Poddar**

Joint Managing Director and member of Business Responsibility and Sustainability Committee



**Vipul Shah**

Director and Company Secretary



**Mrs. Vijaylaxmi Poddar**

Non-Executive — Non-Independent Director

**Pannkaj Ghadiali**

Non-Executive – Independent Director  
and Chairman of Business Responsibility and  
Sustainability Committee

**Mrs. Shruti Shah**

Non-Executive – Independent Director

**Laxmidas Merchant**

Non-Executive – Independent Director

**Rahul Dutt**

Non-Executive – Independent Director



# 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
Rahul Dutt	- Independent Director
Vijaylaxmi Poddar	- Non-Independent Director

## 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

### SECRETARIAL:

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

## COST:

M/s. RA & Co  
Cost Accountant

## INTERNAL:

M/s. R T D & ASSOCIATES  
Chartered Accountants

## 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)

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

### 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](mailto:einward.ris@kfintech.com)  
Website: [www.kfintech.com](http://www.kfintech.com)



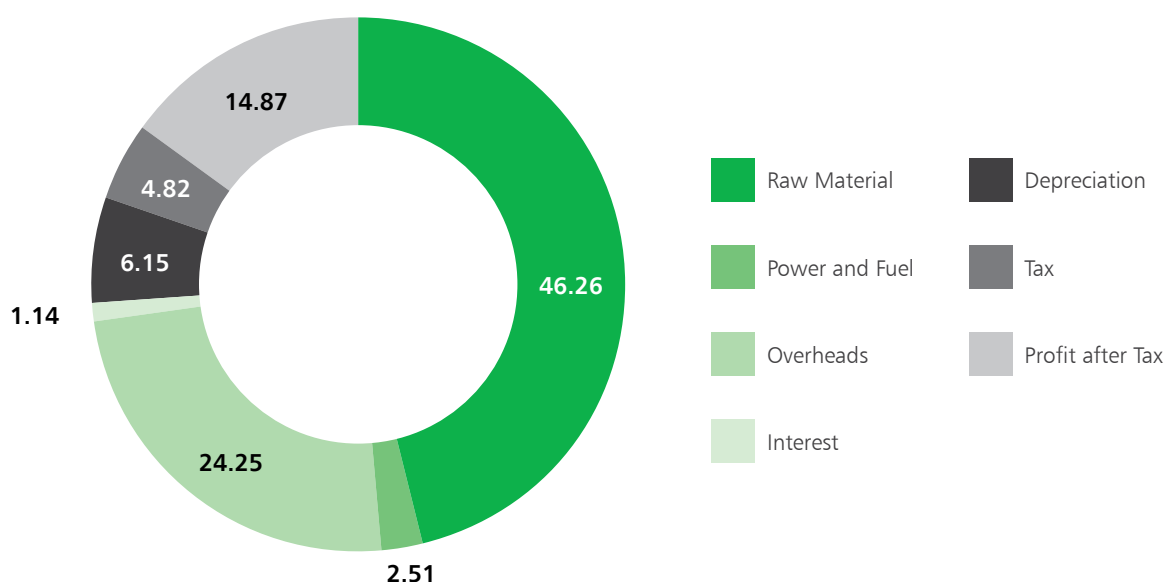
# Financial Highlights (Standalone)

(₹ in Crores)

Particulars	Ind AS				
Year ended 31 <sup>st</sup> March	2025	2024	2023	2022	2021
Revenue From Operations	10,412.88	9,298.70	9,810.52	8,266.71	5,757.92
Other Income	534.55	447.74	337.79	430.60	161.45
Total Income	10,947.43	9,746.44	10,148.31	8,697.31	5,919.37
PBIDT	2,955.03	2,651.78	2,053.42	2,406.10	1,946.96
PBDT	2,829.82	2,542.85	2,007.79	2,398.24	1,937.14
Depreciation	673.53	643.78	556.63	443.77	406.15
PBT	2,156.29	1,899.07	1,451.16	1,954.47	1,530.99
Taxes	527.92	461.48	372.45	543.78	375.61
PAT	1,628.37	1,437.59	1,078.71	1,410.69	1,155.38
Dividend	*800%	800%	800%	1400%	850%
Earning per Share of ₹ 2 each	84.23	74.36	55.80	72.97	59.77

\*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 FY 2024-25, subject to approval of Shareholders in the ensuing Annual General Meeting.

### Rupee Earned/Spent(%)





# Directors' Report & Management Discussion and Analysis

Dear Shareholders,

Your directors are pleased to present the 63<sup>rd</sup> Annual Report of Balkrishna Industries Limited (the "Company") along with the audited Financial Statements for the FY ended 31st March, 2025. The consolidated performance of the Company and its subsidiaries for the year ended 31st March, 2025 has been referred to wherever required.

## 1. FINANCIAL RESULTS:

(₹ in Crores)

Particulars	Standalone		Consolidated	
	Current Year ended	Previous Year ended	Current Year ended	Previous Year ended
	31 <sup>st</sup> March, 2025	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2025	31 <sup>st</sup> March, 2024
<b>Revenue from Operations</b>	<b>10,412.88</b>	<b>9,298.70</b>	<b>10,446.95</b>	<b>9,368.87</b>
Other Income	534.55	447.74	538.79	449.22
<b>Total Income</b>	<b>10,947.43</b>	<b>9,746.44</b>	<b>10,985.74</b>	<b>9,818.09</b>
<b>Gross Profit</b>	<b>2,829.82</b>	<b>2,542.85</b>	<b>2,868.05</b>	<b>2,591.72</b>
Less: Depreciation	673.53	643.78	680.66	650.72
<b>Profit before tax</b>	<b>2,156.29</b>	<b>1,899.07</b>	<b>2,187.39</b>	<b>1,941.00</b>
Less: Provision for tax				
Current Tax	472.83	402.00	477.62	406.02
Income Tax of earlier years	-	-	-	5.03
Deferred Tax	55.09	59.48	54.81	58.46
<b>Profit after Tax</b>	<b>1,628.37</b>	<b>1,437.59</b>	<b>1,654.96</b>	<b>1,471.49</b>

## 2. INDUSTRY STRUCTURE AND DEVELOPMENT:

Your Company is one of the world's leading manufacturers of 'Off- Highway Tires'. It has the widest product range with more than 3600 SKUs (Stock Keeping Units). Your Company has made its mark in specialty segments like Agricultural, Mining, Construction, Industrial, Earthmover, Port, ATV (All-Terrain Vehicle), Rubber Tracks, and Turf care applications in both cross ply and radial construction.

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

Despite the global economic slowdown and ongoing geopolitical uncertainties impacting exports, it is encouraging to observe early signs of improvement. There is an optimistic outlook for increasing demand in the upcoming quarters, alongside expectations of easing inflationary pressures. Effectively managing these dynamics will be key to ensuring resilience and stability during these challenging times.

## 3. OPERATIONS AND STATE OF AFFAIRS:

**Standalone:** During the year under review, on a standalone basis, your Company achieved Revenue from Operations of ₹10,412.88 Crores, as against ₹9,298.70 Crores during the previous financial year. EBITDA increased to ₹2,955.03 Crores from ₹2,651.78 Crores in the previous year, and Net Profit rose to ₹1,628.37 Crores from ₹1,437.59 Crores. Revenue from exports constituted around 71%.

**Consolidated:** On a consolidated basis, your Company achieved Revenue from Operations of ₹10,446.95

Crores, compared to ₹9,368.87 Crores in the previous financial year. EBITDA increased to ₹2,996.39 Crores from ₹2,704.59 Crores, and Net Profit increased to ₹1,654.96 Crores from ₹1,471.49 Crores.

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

In accordance with the provisions of the Foreign Trade Policy, your Company has continued to hold the prestigious 'Five Star Export House' status since September 2021. Additionally, the Company is recognised as an Authorised Economic Operator (AEO) Tier III, which facilitates faster cargo processing and clearance, deferred duty payments, direct port delivery and entry, along with various other operational benefits.

## 5. PROJECTS AND EXPANSION:

During the year under review, your Company successfully completed the construction of a Mould Plant at Bhuj with a capital expenditure of ₹300 Crores. In addition, it completed the capex for a high-value advanced carbon material production facility with a capacity of 30,000 metric tonnes per annum (MTPA), which has since been commissioned.

Your Company is also undertaking a capital expenditure of up to ₹1,300 Crores for the expansion of its Off-Highway tire manufacturing facility at Bhuj. This project aims to establish a production capacity of 35,000 MTPA and is expected to be completed by the end of FY 2025-26.

Further, your Company has approved capital expenditure of approximately ₹3,500 Crores over the next three years for setting up additional production facilities at Bhuj, including for Carbon Black, Power Plant, Commercial Vehicle Tires, Rubber Tracks, and Premium Passenger Car Radial Tires.

## 6. DIVIDEND:

Your Company has maintained a strong track record of consistent dividend payments over the past three decades. In continuation of this trend, the Board of Directors is pleased to recommend a final dividend of ₹4 (200%) per equity share for FY 2024–25. This is in addition to three interim dividends of ₹4 (200%) per equity share each, amounting to an aggregate of ₹12 (600%) per equity share. As a result, the total dividend for the year stands at ₹16 (800%) per equity share.

The final dividend is subject to approval by the shareholders at the upcoming Annual General Meeting, scheduled for 26th July 2025. Once approved, it will be disbursed within the stipulated timeframe, after deduction of applicable taxes at source. The Record Date for payment of the final dividend is set as 12th July 2025.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015"), the Dividend Distribution Policy is available on 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 31st March 2025 remains unchanged at ₹38.66 Crores. The Company has neither issued shares with differential voting rights, nor granted stock options or sweat equity. None of the Directors of the Company holds any shares with differential voting rights or convertible instruments.

## 8. RESERVES:

The Company proposes to transfer ₹500 Crores to General Reserves.

## 9. OUTLOOK FOR THE FINANCIAL YEAR 2025-26:

Your Company continues to navigate a challenging global economic environment but remains optimistic about growth opportunities, particularly within the Off-Highway Tire (OHT) segment. This segment is expected to experience steady growth in FY 2025–26, driven by infrastructure development, technological innovation, and sustainability efforts across the construction, mining, and agricultural sectors.

Key factors influencing the outlook include:

- a. **Global Economic Slowdown and Risks:** The ongoing global slowdown, coupled with geopolitical tensions and the threat of stagflation, poses significant risks to industry-wide stability. These factors may impact external demand, economic confidence, and consumer sentiment.
- b. **Technological Advancements:** The adoption of smart tire technologies, including real-time monitoring through sensors and IoT, is enhancing tire performance, safety, and lifecycle management.
- c. **Sustainability Initiatives:** Manufacturers are increasingly investing in eco-friendly materials and

recycling technologies to reduce environmental impact and align with global sustainability goals.

- d. **Emerging Markets:** Urbanisation and industrialisation in developing regions, especially across Asia-Pacific, are driving higher demand for tires.
- e. **Rising Demand in the Automotive Sector:** Despite macroeconomic headwinds, the global rise in vehicle demand is directly fuelling tire requirements, opening new avenues for growth.
- f. **Focus on Off-Highway Tire Segment:** Your Company's strategic emphasis on the OHT segment offers resilience against mainstream automotive cyclicality and reflects a sharper focus on specialised customer requirements.
- g. **Strength in Research and Development:** BKT's robust R&D capabilities support product innovation, differentiation, and responsiveness to evolving market trends — an essential strength in a dynamic landscape.
- h. **Infrastructure Investments:** Investments in the Carbon Black Plant and Captive Power Plant at Bhuj provide cost and energy advantages, reinforcing sustainable and efficient operations.
- i. **Customer-centric Approach:** A sharp focus on customer satisfaction and responsiveness underpins BKT's ability to retain and grow its market share amidst economic uncertainty.
- j. **Technological Advancements:** Advanced tread patterns and improved durability are making off-road tires more efficient and desirable, contributing to increased adoption.
- k. **Raw Material Fluctuations:** Volatility in the prices of rubber and chemicals can impact production costs.
- l. **Regulatory Compliance:** The tightening of environmental regulations worldwide could lead to increased compliance costs and operational adjustments.

In summary, while macroeconomic challenges persist, your Company is well-positioned through its investments in infrastructure, innovation, and niche segments like OHT. These strengths, combined with a customer-first mindset, support BKT's growth ambitions and resilience in a volatile market landscape.

## 10. MATERIAL CHANGES AND COMMITMENTS:

Pursuant to Section 134(3)(l) of the Companies Act, 2013, there have been no material changes or commitments affecting the financial position of your Company between the close of the financial year on 31st March 2025 and the date of this report.





# Directors' Report & Management Discussion and Analysis

## 11. OPPORTUNITIES AND THREAT:

### Opportunities:

#### a. Segment Specialisation in Large Variety - Low Volume:

- Your Company operates in a segment characterised by a wide product range but relatively lower production volumes. This allows the Company to address diverse application needs with agility and customisation.

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

- A strong, well-diversified product portfolio has bolstered your Company's market leadership, providing a competitive edge and enabling effective service to varied customer segments across global markets.

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

- The OHT segment is relatively stable in terms of technological shifts and demand cycles. Over time, your Company has earned customer loyalty through consistent quality and service, supporting business predictability and strategic planning.

#### d. Expansion into Niche Markets:

- Your Company's strategic foray into niche segments, such as Ultra-Large Earthmover and Mining Radial Tires, and the transition from Bias to Radial tires, demonstrates foresight and positions the Company for long-term value creation.

#### e. Infrastructure and Capacity Expansion:

- Your Company is advancing its growth through three levers: expansion of OHT capabilities, scaling of Carbon Black production, and modular investments in Commercial Vehicle and Premium Passenger Car Radial Tires. This multi-pronged strategy is designed to strengthen capacity and seize emerging opportunities in India and beyond.

### Threats:

#### f. Competitive Pressures:

- Competition within the industry continues to pose a significant threat, affecting both market share and pricing strategies. Continuous innovation and differentiation remain essential to mitigate this risk and maintain a competitive edge.

#### g. Talent Management:

- Challenges such as talent attrition, employee

retention, and labour disputes can impact operational continuity and efficiency. Effective human resource strategies are essential to address these issues.

#### h. 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.

#### i. Economic Downturns and Market Demand:

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

#### j. Geo-political and Regulatory Risks:

- Geo-political uncertainties, regulatory changes, and volatile exchange rates can increase operational costs and affect profitability. Escalation of Tariff war and ESG regulations in certain markets may pose a threat to the market share. Adherence to the regulatory requirements and maintaining financial prudence are essential to combat the risk.

In navigating these opportunities and threats, your Company's emphasis on innovation, diversification, operational efficiency, and strategic investments in infrastructure and technology. 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 emphasises 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 authorised, 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 the latest IT tools. Regular audits and reviews reinforce the effectiveness of internal controls.

**e. Cybersecurity and Data Privacy:**

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

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

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

**Limitations and Future Considerations:**

**g. 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.

**h. Risk Management and Compliance:**

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

**i. 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 views its people as its most valuable asset and places them at the centre of its human resource strategy. BKT has built an agile organisational structure that is aligned with its strategic objectives and designed to deliver measurable results. Regular and transparent communication ensures that employees remain aligned with business goals and are informed about evolving priorities. Young talent is nurtured through structured mentoring and development programmes. Employees are consistently offered opportunities to grow, upskill, and thrive in a culture that rewards performance and innovation. BKT's people-centric approach continues to foster a motivated, future-ready workforce.

**Key Strengths and Approaches:**

**Adapting to a Changing Workforce:**

With the launch of a bold five-year strategic plan and our foray into new product categories such as Truck and Bus Radial (TBR) and Passenger Car Radial (PCR) tires, your Company is aligning its talent management strategies with emerging business needs. This includes maintaining a balanced talent mix across functions and proactively hiring from campuses to nurture future-ready professionals.

**Employee Well-being**

Your Company places a strong emphasis on employee well-being. Initiatives such as routine medical check-ups, Medilaim top-up facilities, wellness sessions, periodic vaccination drives, and support for work-life balance foster a positive, healthy, and high-performing work environment.

**Talent Management and Development:**

The Company emphasises continuous learning and development of its employees. This approach ensures that employees are equipped with the skills needed for Company's specialty product range and are prepared for evolving business demands.



## Directors' Report & Management Discussion and Analysis

### Recognition and Career Development:

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

### The digitisation journey:

Your Company has fast tracked its journey towards digitisation by transforming traditional HR functions with digital technologies and data analytics, focusing on automation, data-driven decision-making, and improved employee experience. All this is achieved by implementing employee self-service, multiple modules of Darwinbox HRMS, online PMS process, implementation of Contract Labour Management System.

### 15. SUBSIDIARY COMPANIES:

At the end of the year under review, the Company had four Overseas Wholly Owned Subsidiary Companies (WOS). The Overseas WOS are BKT EUROPE S.R.L., BKT TIRES (CANADA) INC., BKT USA 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 Amalgamation:

Your Directors at their meeting held on 24th January, 2024 have approved the Scheme of Amalgamation of its wholly owned subsidiary Company M/s BKT Tyres Limited into itself under Sections 230 to 232 and other relevant provisions of the Companies Act, 2013. The Company has filed the necessary petition before the Hon'ble National Company Law Tribunal (NCLT), Mumbai.

Subsequently, the Hon'ble NCLT sanctioned and approved the Scheme of Amalgamation through its order dated 25th March, 2025. The appointed date of the Scheme was 1st April, 2024.

### 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:

- (i) That in the preparation of the annual accounts for the year ended 31st March, 2025, 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 31st March, 2025 and the Statement of Profit and Loss of the Company for the FY ended 31st March, 2025;

- (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 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 have been segregated 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 FY ended 31st March, 2025 are given separately in the Corporate Governance Report. During the year under review, the Company was required to spend ₹32.94 Crores and considering the past excess CSR amount of ₹2.73 Crores the Company was required to spend ₹30.21 Crores during FY 2024-25. The Company has spent ₹21.52 Crores for FY 2024-25. In terms of Amendment to Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (the CSR Rules 2021") effective from 22nd January, 2021, the Company in FY 2024-25 has spent ₹21.52 Crores on identified Project and further Company had deposited ₹8.69 Crores in separate Bank account opened with a Scheduled Bank in Compliance with CSR Rules 2021 and out of ₹8.69 Crores, Company had spent already ₹1.35 Crores towards ongoing Project in FY 2025-26.

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 inevitable in every 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 dynamic geopolitical and macroeconomic situation, volatile commodity prices, talent attrition, growing demand of customers, cybersecurity risks, etc. Common risks include changing regulations, competition, business risk, technology obsolescence. 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 discussion with all the key stakeholders across the

Company. For managing risks more efficiently, the Company has undertaken a detailed risk management program 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 to ensure equipment upkeep and upgrades the equipment in a timely manner. The Company has also made significant investment in equipment modernisation.

The Company's major raw materials are Natural and Synthetic Rubber, Carbon Black, Nylon fabric and Chemicals. The overall supply dynamics keep changing due to which at times an increase in cost is experienced, which 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 launching new product lines. Furthermore, the Company spends adequate amount on marketing and promotional activities to ensure customer retention and brand-building. Your Company has also invested in building a wide 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 lack of skilled manpower in the industry.

Additionally, the manufacturing process of the Company is labour intensive, it requires lot of skilled as well as unskilled workers. Maintaining a large workforce 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 provided with fair wage structure, and the Company provides various opportunities to its employees for career development.

### Currency Fluctuation:

The Company derives most of its revenue from exports. Given that a substantial portion of raw materials and capital equipment is imported, the Company is exposed to foreign currency risk. However, this exposure is offset by a natural hedge, as Company's revenues are denominated in foreign currencies. Since the Company is a net foreign exchange earner and hedges its net exposure in advance mostly by way of forward contracts,

## Directors' Report & Management Discussion and Analysis

it is relatively less susceptible to foreign exchange fluctuations

### Cyber Security/Technology Risk:

Due to growing digitalisation, your Company is exposed to vulnerability to cyber-attacks. To mitigate such risks your Company has implemented policies and procedures for cybersecurity and data privacy. Independent review of the systems and procedures is being conducted to reinforce effectiveness of the systems. Additionally, targeted efforts are being made to create awareness about cyber security through trainings and interactions including Board members.

### Climate Risk:

Assessing climate change risks is essential for our Company to manage potential impacts and capitalise 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 your Company's long-term success in an evolving global landscape.

### Geopolitical and Macroeconomic Risk:

Given the current global landscape, this has emerged as one of the key risks. Ongoing military conflicts and trade/tariff wars between countries continue to create uncertainty in demand conditions. The Company has a well-diversified product portfolio and a strong presence across multiple markets, which helps to mitigate this risk. This strategy is further reinforced by the Company's resilient and agile business model.

### 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 enables your Company for setting up priorities when there are competing demands on limited resources. Risk management also attempts to identify and manage threats that could severely impact the organisation. With an endeavour to augment the risk mitigation efforts, your Company has formulated and implemented a detailed Business Continuity Plan. 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 oversee the various risks and mitigation plan 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 acceptable levels. The Company has framed an Enterprise Risk Management Policy (the "Policy") to realise the following benefits for the Company:

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

The Company's Risk Management Policy outlines the objectives, approach, and organisational structure for the identification, assessment, management, and reporting of risks. It clearly defines the roles and responsibilities of key stakeholders and relevant personnel in relation to risk management and ensures that the process aligns with the provisions of the Companies Act, 2013.

The Risk Management programme of the Company is designed to achieve the following objectives:

- Enable organisational sustainability by recognising the impact of its products, services, and operations on society and the environment
- Minimise potential gaps in achieving corporate objectives
- Align and integrate risk management practices across the organisation.
- Build the confidence of the investment community and stakeholders.
- Strengthen corporate governance practices.
- Respond effectively to a dynamic business environment.

The Company's risk management policies and systems are reviewed periodically to reflect evolving market conditions and business activities.

During the year under review, the Company conducted statutory audits relating to safety, occupational health and environment, fire safety, and electrical safety. Significant improvements were observed in the Safety Index and Fire Safety Index, owing to new initiatives and focused efforts on critical processes and operations.

Furthermore, the Company has worked to raise awareness within its supplier community, encouraging their active

participation and engagement to help mitigate current and future business risks.

The Audit Committee monitors the Company's compliance with its risk management framework and assesses the adequacy of systems in place. The Internal Audit team conducts both scheduled and ad hoc reviews of the risk management controls and procedures, with findings reported to the Audit Committee.

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

## 20. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, Mr. Vipul Shah (DIN 05199526) retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking Shareholders' approval for his 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. A certificate from the Statutory Auditors confirming compliance with the conditions of corporate governance is annexed to the said report.

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

Your Company has established a Nomination and Remuneration Policy to guide the selection, appointment, and remuneration of Directors, Key Managerial Personnel (KMP), and other employees, including senior management. This policy is designed to ensure that individuals with the skills, leadership ability, and vision necessary to drive sustainable growth are appointed to key roles.

An extract of the Nomination and Remuneration Policy is included in the Corporate Governance Report, which forms an integral 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 the 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 conducted its annual evaluation, assessing the performance of the Board, its Committees, and individual Directors in accordance with the applicable provisions of the Companies Act and the corporate governance requirements outlined in the Listing Regulations, 2015.

This evaluation ensures adherence to regulatory standards while fostering continuous improvement in leadership effectiveness, decision-making, and corporate governance practices.

The Board of Directors operates cohesively, fostering a collaborative and efficient decision-making environment. Each Committee performs effectively within its designated scope, with their recommendations thoroughly reviewed and accepted by the Board.

The Directors bring valuable expertise and experience, contributing significantly to the strategic direction of the Company. Independent Directors are highly regarded for their deep understanding of the business and their ability to express their views freely during deliberations. Non-Executive Directors excel in various aspects, ensuring balanced perspectives, while Executive Directors demonstrate strong action-orientation and effectiveness in implementing Board decisions.

The Chairman plays a pivotal role in leading the Board, encouraging active participation and meaningful contributions from all members, thereby reinforcing a dynamic and engaged governance structure.

The Board's performance evaluation was conducted after gathering insights from all Directors present in the meeting. The assessment was based on key criteria such as board composition and structure, the effectiveness of board processes, access to information, and overall functioning.

Additionally, the Nomination and Remuneration Committee carried out an evaluation of individual Directors. This assessment focused on various aspects, including the Director's preparedness for discussions, their meaningful and constructive contributions in board and committee meetings, and their ability to provide valuable inputs that enhance decision-making processes.

This rigorous evaluation ensures that governance standards remain strong, fostering accountability and effectiveness across all levels of leadership.

## Directors' Report & Management Discussion and Analysis

The performance evaluation of Independent Directors was conducted by the entire Board. As part of this process, a dedicated meeting of the Independent Directors for the FY 2024–25, chaired by Mr. Pannkaj Ghadiali, was held on 22<sup>nd</sup> March, 2025.

During this meeting, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole, and the Chairman based on key parameters of effectiveness. Additionally, they assessed the quality, quantity, and timeliness of information flow between Management and the Board, ensuring transparency and efficiency in governance practices.

The findings from this discussion were further deliberated in the subsequent Board meeting, where the overall performance of the Board, its Committees, and individual Directors was evaluated. The Directors expressed satisfaction with the evaluation process, reaffirming the Company's commitment to robust corporate governance and continuous improvement in leadership effectiveness.

### 23. AUDITORS:

#### Statutory Auditor:

In accordance with Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the members of the Company, at the Annual General Meeting (AGM) held on July 7, 2022, approved the appointment of M/s Jayantilal Thakkar & Co. (Firm Registration Number 104133W) as Statutory Auditors for a five-year term, commencing from the conclusion of the 60th AGM and extending until the conclusion of the 65th AGM.

M/s Jayantilal Thakkar & Co. has confirmed that they continue to meet eligibility criteria and are not disqualified from serving 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 does not contain any qualification, reservation, adverse remark or disclaimer.

#### Internal Auditor:

The Board of Directors has appointed M/s. RTD & Associates, Chartered Accountants as the Internal Auditors for a one-year term for the FY 2025–26, in accordance with Section 138 of the Companies Act, 2013.

The appointed auditors have successfully completed the Internal Audit in line with the scope defined by the Audit Committee, ensuring compliance with regulatory requirements and strengthening governance and financial oversight.

#### Secretarial Auditor:

In accordance with Regulation 24A of the SEBI Listing Regulations and Section 204 of the Companies Act, the

Company is required to appoint a Secretarial Auditor, subject to approval by Members at its Annual General Meeting (AGM).

Based on the Board's recommendation, the Company has proposed the appointment of Mr. G.B.B Babuji, Company Secretary in Whole Time Practice (Certificate of Practice No. 8131) as the Secretarial Auditor for a five-year term, covering FY 2025–26 to FY 2029–30.

Following approval at the ensuing AGM, he will conduct the secretarial audit as mandated by the Act and SEBI Listing Regulations and provide the necessary audit report for the designated period.

Mr. G.B.B Babuji, Company Secretary in Whole Time Practice (Certificate of Practice No.8131) has confirmed that their appointment, if made, will comply with the eligibility criteria in terms of SEBI Listing Regulations. Further, the Secretarial Auditor has confirmed that they have subjected themselves to Peer Review process by the Institute of Company Secretaries of India ("ICSI") and hold valid certificate issued by the Peer Review Board of ICSI.

Pursuant to the provisions of Section 204 of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI Listing Regulations, the Company had appointed Mr. G.B.B Babuji, Company Secretary in Whole Time Practice (Certificate of Practice No.8131) to undertake the Secretarial Audit of the Company for FY25. The Company's assistance in facilitating the audit process ensures transparency and adherence to regulatory expectations.

Further, pursuant to SEBI Circular CIR/CFD/CMD1/27/2019 dated 8th February, 2019, Mr. G.B.B Babuji, has also conducted the Annual Secretarial Compliance. The Secretarial Audit Report for the FY ended 31<sup>st</sup> March, 2025 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 utilisation 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 FY 2024-25.

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 FY ending 31<sup>st</sup> March 2025. 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 has 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 63<sup>rd</sup> 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.

The Cost Auditors' Report of FY 2023-24 did not contain any qualifications, reservations, adverse remarks or disclaimers and no fraudulent activities were reported by the Cost Auditors to the Company 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. **Non-Convertible Debentures:** During the FY 2024-25, your Company has successfully repaid Non-Convertible Debentures amounting to ₹350 Crore out of total ₹500 Crores. Further, your Company has repaid remaining ₹150 Crore in the month of April 2025. Hence, your Company

has repaid fully ₹500 Crore along with all the Interest amount on respective due date in terms of Information Memorandum.

### ii. Vigil Mechanism/Whistle Blower Policy:

The Vigil Mechanism of the Company which also incorporates 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 victimisation 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/www/us/investors-desk>.

### iii. Audit Committee:

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

### iv. Number of Board Meetings:

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

### v. 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.

### vi. 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.

### vii. 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/www/us/investors-desk>.

### viii. Particulars of Employees and related disclosures:

The information required under Section 197(12) of the Companies Act, 2013 read with Rules 5(1) of

## Directors' Report & Management Discussion and Analysis

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.

### ix. 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.

### x. Business Responsibility and Sustainability Committee Report:

Your Company is committed to conducting business in a manner that delivers long-term value to shareholders while contributing positively to society. The Company continues to align its operations with national priorities and the United Nations Sustainable Development Goals (UN SDGs), reinforcing its commitment to responsible and inclusive growth.

With regard to sustainability, several initiatives have been undertaken under the ambit of Environment, Social and Governance (ESG). These are detailed in the relevant sections of this Annual Report and further elaborated in the Business Responsibility and Sustainability Report (BRSR).

In accordance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and relevant SEBI circulars, new reporting requirements relating to ESG parameters have been prescribed under the BRSR framework. The BRSR requires disclosures against the nine principles of the National Guidelines on Responsible Business Conduct (NGRBCs).

Accordingly, for the financial year ended 31<sup>st</sup> March, 2025, your Company has prepared and published its BRSR, which outlines the initiatives taken from an

environmental, social, and governance perspective. The BRSR, in the prescribed format, is annexed as **Annexure VI** and forms an integral part of this Annual Report. The Company has imparted the training on BRSR and ESG to all the Board of Directors.

### xi. 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 was no transaction on these items during the year under review.

- Details relating to deposit and unclaimed deposits or interest thereon.
- Issue of equity shares with differential rights as to dividend or voting.
- Issue of shares (including sweat equity shares) and Employee Stock Option Scheme of the Company under any scheme.
- 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.
- 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.

### xii. IBC Code & One-time Settlement:

The Board of Directors confirms that there are no proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016 (IBC Code). Furthermore, the Company has not engaged in any one-time settlement with any bank or financial institution during the financial year.

## 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 continues to operate efficiently, driven by a strong culture of professionalism, creativity, integrity, and continuous improvement across all functions and areas. This commitment, combined with the efficient utilisation of resources, has enabled sustainable and profitable growth, ensuring long-term value for stakeholders.

The Board of Directors expresses its sincere appreciation for the invaluable assistance and cooperation received from financial institutions, banks, government

authorities, customers, vendors, and members during the year under review. Their support has been instrumental in the Company's continued growth and success.

The Board also wishes to place on record its deep sense of appreciation for the dedicated and committed services of the Company's executives, staff, and workers, whose efforts have been pivotal in driving operational excellence and achieving strategic objectives.

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**

**ARVIND PODDAR**

Chairman & Managing Director  
DIN: 00089984

PLACE: Mumbai  
DATED: 23<sup>rd</sup> May, 2025



# Directors' Report & Management Discussion and Analysis

## 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
		(₹ in Crores)			
1.	Name of the Subsidiary	<b>BKT TIRES INC</b>	<b>BKT EUROPE S.R.L.</b>	<b>BKT USA INC</b>	<b>BKT TIRES (CANADA) INC</b>
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, 2024 to 31 <sup>st</sup> March, 2025.			
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. <sup>#</sup>	USD	EURO	USD	CAD
4.	Share Capital	0.37	0.13	0.01	0.03
5.	Reserves & Surplus	6.21	27.44	18.31	2.12
6.	Total Assets	93.07	233.38	23.42	2.53
7.	Total Liabilities	86.50	205.80	5.10	0.38
8.	Investment	NIL	NIL	NIL	NIL
9.	Turnover (include other income)	136.09	444.86	61.79	13.02
10.	Profit/ (Loss) Before Taxation	2.99	23.01	3.84	0.88
11.	Provision for Taxation*	(0.18)	3.91	0.61	0.18
12.	Profit/(Loss) After Taxation	3.17	19.10	3.23	0.70
13.	Proposed Dividend	NIL	NIL	NIL	NIL
14.	% of Shareholding	100%	100%	100%	100%

#### Notes:

<sup>#</sup>Exchange Rate

1 EURO = ₹92.3246 1 USD = ₹85.5814 1 CAD = ₹59.7181

\* Provision for taxation includes Deferred tax.

**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, 2025.**

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

**ARVIND PODDAR**

Chairman & Managing Director

**RAJIV PODDAR**

Joint Managing Director

PLACE: Mumbai

DATED: 23<sup>rd</sup> May, 2025

**MADHUSUDAN BAJAJ**

Senior President &  
Director (Commercial) & CFO

**VIPUL SHAH**

Director &  
Company Secretary



## Annexure - II

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FY 2024-25

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

#### 1. 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-

- Supported the Foundation which provides education for marginalised communities, Funded the construction of Advaita Garden School Unit, benefiting 350 children from five villages, while also engaging parents, women, and local communities in various activities and events.
- Contribution for construction of room at Vadilo no Visamo old age home.
- Supporting for construction work in various schools such as additional class room, renovation of kitchen, toilets and wash station in School buildings at Thane.
- Partnering for serving Mid day meals to 30,000 children in various schools at Bhuj.
- Contribution for free meals to Cancer patients and their family members approx. 2800 at Mumbai.
- Providing complete financial adoption for cancer treatment for 10 children coming across India and belonging to poor socio-economic strata of the society.
- Providing Advanced Medical equipment's to various hospitals for treatment of patients.
- Contribution for drinking water in remote areas under drought relief project to support communities and stray animal around 400 lives.

#### 2. COMPOSITION OF CSR COMMITTEE:

Sl. 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 the CSR committee is available at:

[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 is available at:

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

CSR Projects approved by the Board:

[www.bkt-tires.com/ww/us/investors-desk](http://www.bkt-tires.com/ww/us/investors-desk)

## Directors' Report & Management Discussion and Analysis

### 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 impact assessment of contribution made towards CSR projects on Expansion of the hospital infrastructure project - Implemented by Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan (BAVP), Project 'Gokhale road school south and Sayani road school education project - Implemented by Muktangan, Upgradation of centralised kitchen project - Implemented by Akshaya Patra Foundation Mid-day meal support project - Implemented by Akshaya Patra Foundation during previous years were undertaken through an independent agency M/s. KPMG.

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.

The Web link for Impact Assessment report of CSR Projects is available at [www.bkt-tires.com/www/us/investors-desk](http://www.bkt-tires.com/www/us/investors-desk).

Executive Summary of Impact Assessment of CSR Projects as under:

#### (I) Impact Assessment study of project 'Expansion of the hospital infrastructure project' - Implemented by Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan (BAVP)

##### About the project:

Under project expansion of the hospital infrastructure, the Company contributed to the expansion of the 4<sup>th</sup> floor of Hedgewar Hospital in Chhatrapati Sambhaji Nagar, Maharashtra through Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan (BAVP).

##### Objective:

- To improve bed capacity and create a multi-use facility, for use by various hospital departments, by way of expansion of 4<sup>th</sup> floor.
- To create a self-sustaining service-oriented model without a profit motive.
- To provide quality medical treatment at affordable rates to the underserved and economically weaker sections of society.

##### Key Findings:

- 100% of the respondents (patients) are satisfied with the design and over infrastructure of the 4<sup>th</sup> floor.
- 100% of the respondents (Medical Staff) shared that general wards were designed to ensure patient comfort and ease of monitoring.

- 88% of the respondents (patients) are positively satisfied with hygiene and maintenance of the 4<sup>th</sup> floor.
- 79% of the respondents (patients) reported having experienced no waiting time for getting bed in the hospital.
- 60% of the respondents (patients) reported that they chose the hospital for the accessibility.
- 100% of the respondents (patients) are satisfied with the overall treatment which they received in the hospital.

#### (II) Impact Assessment study of project 'Gokhale road school south and Sayani road school education project' - Implemented by Muktangan

##### About the project:

The Muktangan programme bridged gaps in mainstream education by connecting 496 children for holistic development, while empowering 69 women as educators to deliver culturally relevant, community-rooted learning.

##### Objective:

- The programme objective is to bridge gaps in mainstream schooling by creating an enriching learning environment that connects children with nature through sensory experiences.
- It focuses on holistic development- physical, emotional, psychological, and social, especially for underserved communities.
- By training women from these backgrounds as skilled teachers and educators, they ensure culturally relevant education that meets community needs. This approach not only enhances learning but also empowers women, providing them with livelihoods and strengthening education through real-life community experiences.

##### Key Findings:

##### Students

- 60% of students reported feeling happy and enjoying coming to school, reflecting a positive emotional connection with their learning environment.
- 87% expressed overall satisfaction with the teaching and learning methods, indicating strong approval of the academic approach.
- 72% reported an improvement in their confidence levels, showcasing the school's impact on personal growth and self-assurance.

##### Teachers

- 100% of teachers reported increased confidence in lesson delivery, highlighting a complete boost in instructional assurance.

- 85% noted enhanced student engagement, reflecting more active participation and interest in classroom activities.
- 91% reported improvement in personal development, indicating strong growth in professional and interpersonal skills.

### (III) Impact Assessment study of project 'Upgradation of centralised kitchen project' - Implemented by Akshaya Patra Foundation

#### About the project:

The Centralised Kitchen upgradation initiative was designed to upgrade the kitchen with capital expenditure that would expand its capacity to prepare approximately 30,000 meals each day.

Through BKT Tires, the Akshaya Patra Bhuj kitchen was supported with the following items: 50 Big Crates, 100 Crates with holes, 10 Slotted Angle Racks, 6 Vehicles- Mahindra Bolero, 100 Small Meal distribution vessels, 8 Roti Collecting Trays, 2 Hand Pallet Trucks, 1 Atta Kneading Machine, 30 KW Goldi Make Solar panel for Solar Roof Top, 1 Auto Rikshaw at Bhuj (Gujarat), Atta Kneading Machine-75 Kg per batch capacity., 7.5 HP Motor Reverse and Forward Movement, Jet Pressure Pump IPC C23 plus Water Jet pressure Pump with Accessories (Roto brush M22 and IPC Fixed Brushed M22).

#### Objective:

- Enhance meal production capacity and efficiency – Upgrade kitchen infrastructure to prepare mid-day meals, ensuring hygienic, efficient, and large-scale meal distribution for school children.
- Strengthen operational support – Equip the Akshaya Patra Bhuj kitchen with essential resources, including kitchen equipment, storage solutions, transportation vehicles, and solar energy systems, to streamline operations and improve sustainability.

#### Key Findings:

- Impact on livelihood – 81 former daily wage labourers transitioned to stable jobs as drivers and now working as a kitchen staff, has improved their income from ₹5,000 to ₹10,000 per month, gaining job security, benefits, and financial stability.
- Operational efficiency and sustainability of kitchen – The installation of atta kneading and water jet washing machines reduced food waste, improving ingredient efficiency, sustainability, and hygiene in meal preparation.
- Satisfaction of students – 80% of students rated hygiene level of the food distribution as 5, and 20% as 4, reflecting strong cleanliness

standards, ensuring safe and sanitary meal distribution.

### (IV) Impact Assessment study of project 'Mid-day meal support project' - Implemented by Akshaya Patra Foundation

#### About the project:

BKT Tires supported Akshaya Patra Foundation to service 23000 mid-day meal to improve the nutritional status of children studying in government and government-aided schools in Bhuj, Gujarat. It aims to motivate children from socio-economically weaker backgrounds to attend school regularly and focus on classroom activities.

#### Objective:

- Encouraging school attendance among children from socio-economically weaker backgrounds.
- Improving the nutritional status of school children.
- Enhancing concentration and learning by reducing classroom hunger.

#### Key Findings:

- 100% of surveyed students receive mid-day meals daily at school. This highlights the consistent delivery and availability of meals under the mid-day meal programme.
- 87% of respondents rated their energy and focus levels at the highest score of 5, indicating that the midday meal significantly contributes to their energy levels and ability to concentrate in classes.
- 87% of teachers reported an improvement in student attendance ranging between 60-100%, with 56% supporting a 60-80% improvement, demonstrating the programme's ability to encourage consistent school attendance.
- 93% of the respondent teachers reported that the project has reduced students' parents concerns about their children receiving a nutritious meal while at school.
- The mid-day meal program ensures 100% meal delivery, boosts 87% of students' energy and focus, 87% of teachers reported an improvement in student attendance ranging between 60-100%, and eases 93% of parents' concerns about nutrition, fostering overall educational and well-being benefits.



## Directors' Report & Management Discussion and Analysis

5. (a) Average net profit of the Company as per sub-section (5) of section 135 = ₹ 1647.18 Crore  
 (b) Two percent of average net profit of the Company as per sub-section (5) of section 135 = ₹ 32.94 Crore  
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years = Nil  
 (d) The amount required to be set-off for the financial year, if any – ₹ 2.73 Crore  
 (e) Total CSR obligation for the financial year [(b)+(c) -(d)] = ₹ 30.21 Crore
6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects) = ₹ 21.41 Crore  
 (b) Amount spent in Administrative Overhead = ₹ 0.11 Crore  
 (c) Amount spent on Impact Assessment, if applicable = Nil  
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. = ₹ 21.52 Crore  
 (e) CSR amount spent or unspent for the Financial Year:

(₹ In Crores)

Total Amount Spent for the Financial Year.	Amount Unspent				
	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.
21.52	*8.69	24 <sup>th</sup> April, 2025	-	-	-

\*The unspent amount of ₹ 8.69 Crores being committed for ongoing project will be spent by the Company within stipulated time. Out of ₹ 8.69 Crores, Company had already spent ₹ 1.35 Crores towards ongoing Project in FY 2025-26.

- (f) Excess amount for set-off, if any:

(₹ In Crores)

Sl. No.	Particular	Amount
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	32.94
(ii)	Total amount spent for the Financial Year	*21.52
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(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)]	Nil

\*During the FY 2024-25, the Company was required to spend ₹ 32.94 Crores. After setting of excess CSR amount of ₹ 2.73 Crores spent in FY 2023-24, the Company was required to spend ₹ 30.21 Crores during FY 2024-25. The Company has spent ₹ 21.52 Crores and the balance unspent amount ₹ 8.69 Crores being committed for ongoing project will be spent within stipulated time. The unspent amount of ₹ 8.69 Crores has been transferred to Scheduled Bank on 24<sup>th</sup> April, 2025. Out of ₹ 8.69 Crores, the Company had already spent ₹ 1.35 Crores towards ongoing Project in FY 2025-26.

## 7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

(₹ In Crores)

1	2	3	4	5	6	7	8	9
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135	Balance Amount in Unspent CSR Account under sub- section (6) of section 135	Amount Spent in the Financial Year	Amount Spent in the Financial Year	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	Deficiency, if any
						Amount Date of Transfer		
								NIL



## 8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: Yes

If yes, enter the number of Capital assets created/ acquired: 14

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

(₹ In Crores)							
Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	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)		
					CSR Registration Number, if applicable	Name	Registered address
1	Supporting for construction work in school of Sapna Shikshalaya, primary section. Address: Sapna IT College, Vijay Mandir, Alwar Behror Road, Alwar -301001 Rajasthan	Alwar-301001 Rajasthan	22 <sup>nd</sup> May, 2024	0.11	CSR00000235	Sapna, New Delhi	Flat No 8086, Pocket D-8, Vasant Kunj, New Delhi-110070
2	Contribution for construction of one room at Vadilo no Visamo old age home. Address: Vadilo No Visamo, Shree Ramdev Sevashram, Survey no 18, Behind Rameshwar Mahadev Mandir, Bhuj Kutch Road, Village Palara, Tal Bhuj-Kutch-370001 Gujarat	Bhuj-Kutch-370001 Gujarat	3 <sup>rd</sup> June, 2024	0.05	CSR00038482	Manav Jyot	c/o Prabodh Hirachand Shah, SA-60, Sambhavnath Vardman Nagar, Madhapar Bhuj-Pin 370020, Gujarat
3	Providing CT Scan (CT Dual Energy Scanner)- Artificial Intelligence Based Platform Revolution Maxima for carrying out diagnostic CT scans and CT-Guided biopsy, Annually 1-1.50 Lakh patients need CT scans. Address: Tata Memorial Hospital Dr Earnest Borges Road, Parel, Mumbai-400012, Maharashtra	Mumbai-400012, Maharashtra	23 <sup>rd</sup> June, 2024 26 <sup>th</sup> June, 2024	5.32	-	Direct	-



## Directors' Report & Management Discussion and Analysis

(₹ In Crores)

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)		(6)	
4	For Bhuj Kitchen pedestal Fan, Movable aluminum section, 3Hp mudpump, Vehicle washing Pump, MS lockers, SS laddle, CCTV camera, UPS backup, SS stool, pulveriser Machine, Magnet grill, Motor for rice cleaning machine, Motor for roti machine, motor for sukhadi machine, Celling Fan, Vegetable washing machine, Air curtains, TPM oil tester and 6 vehicles(CNG2 & Diesel 4). Address: Survey No. 155, Sukhpar Village, Bhuj - Mandvi Highway, near Shiv Paras Temple, Bhuj, 370040	Bhuj-370040	31 <sup>st</sup> August, 2024 3 <sup>rd</sup> October, 2024, 21 <sup>st</sup> February, 2025	0.90	CSR00000286	The Akshya Patra Foundation, Bangalore	Hare Krishna Hill, Chord Road, Rajajinagar, Bangalore-560010, Karnataka
5	Providing Cupboard to Deharang Village Zilla Parishad School, Raigad District. Address: Shantivan, P O Nere, Tal Panvel, Dist. Raigad, 410206, Maharashtra	Raigad-410206, Maharashtra	5 <sup>th</sup> August, 2024	0.003	CSR00012159	Kushtarog Niwaran Samiti, Raigad	Shantivan, PO Nere Panvel, Pin 410206, Maharashtra
6	Providing Misso Robotic surgical equipment system for treatment of patients. Address: Shirodkar Hospital Trust at Asian Institute of Medical Sciences (AIMS), Thane Plot No P 72, Milap Nagar, MIDC, Dombivali-421201, Maharashtra	Dombivali-421201, Maharashtra	9 <sup>th</sup> August, 2024 9 <sup>th</sup> October, 2024	2.24	-	Direct	-
7	Contribution for Construction of additional class room, renovation of kitchen, toilets and wash station in School building for 200 children. Address: Awale Village, Flat 1&2 Building 2A Durg Coop Society, Po Jekegram, Thane -400606, Maharashtra	Thane-400606, Maharashtra	19 <sup>th</sup> September, 2024	0.12	CSR00013222	Rotary Club of Thane Lake City Charity Trust, Thane	Flat 1& 2, 2A Drug Employees CHS, Po Jekegram, Thane 400606, Maharashtra

(₹ In Crores)

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)		(6)	
8	Providing financial support for acquisition of Fully Motorised ICU Bed with all accessories(08), Multi Para Monitor(8), ECG Machine(1), Defibrillator Machine(1), Central Monitor for 8Bed(1), Syringe Pump(8), Volumetric pump(2), Fluid Body warmer(1) and Infrastructure including civil work, Furniture-Fixtures & Medical gas line. Address: Sukhla Talao, Kachigam Road, Vapi West, Gujarat-396191	Gujarat-396191	24 <sup>th</sup> February, 2025	0.65	CSR00008281	Shreyas Medicare, Vapi	Kachigam Road, Sukhala Talao, Vapi-396191 Gujarat
9	Mindary Make Consona N7 Color Doppler Machine with accessories and 4 nos ICU Ventilator Machine, Model- Optima Plus. Address: Sai Hospital, Dombivli(Thane) Maharashtra State Highway 76, Vaibhav Nagari, Kalyan shilphata Rd, Katai Naka Dombivli (East) -421204 Maharashtra	Dombivli (East)-421204 Maharashtra	18 <sup>th</sup> February, 2025 19 <sup>th</sup> March, 2025 26 <sup>th</sup> March, 2025	0.42	Direct		
10	Provide Biochemistry and Haematology machines for diagnostics to provide faster results in continuum of patient care. Address: Primary Health Center, Govt Hospital Kachigam, Somnath Road, Near Vidyut Bhavan, Kachigam, Daman-396215	Kachigam, Daman-396215	18 <sup>th</sup> February, 2025 19 <sup>th</sup> March, 2025	0.35	Direct		
11	Mindary make DC-60 EXP X-Insight Color Dpooler Machine with accessories and 4 nos Briovent Ventilators for adult and paed application. Address : Vertex Multi-speciality Hospital, Kalyan Rajaram Apartment, 1 <sup>st</sup> floor, Kalyan Janta Sahkari Bank, Sri Malang Road, 100 feet Road, Kalyan East-421301 Maharashtra	Kalyan-421301 Maharashtra	18 <sup>th</sup> February, 2025 19 <sup>th</sup> March, 2025 31 <sup>st</sup> March, 2025	0.36	Direct		



## Directors' Report & Management Discussion and Analysis

(₹ In Crores)

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)		(6)	
12	For upgradation of lift of the school building Address: Gopal Garden High School, Borivali (East), Mumbai -400066	Mumbai-400066, Maharashtra	30 <sup>th</sup> October, 2024	0.03	CSR00001089	Sri Chaitanya Educational Trust, Mumbai	7, K M Munshi Marg, Chowpatty, Grant Road, Mumbai-400007, Maharashtra
13	For construction of a community centre for the Ahir community in Padhar village used for group marriages and social gatherings benefiting 80% of local population. Address: Padhdhar Ahir Samajwadi, Bhuj Gujarat Village: Padhdhar, Tal Bhuj-Kutch, 370105, Gujarat	Bhuj-Kutch-370105, Gujarat	31 <sup>st</sup> March, 2025	0.99	-	Direct	-
14	For construction a Boundary Wall for Ahir Community in Kandherai Village used for group marriages and social gatherings benefiting directly to 175 residents of Vadvara, with an additional 5000 people from surrounding villages. Address: Vadvara Ahir Samajwadi Boundary wall, Bhuj-Gujarat Opp. Village Pond, Village Vadvara, Tal Bhuj-Kutch-370105 Gujarat	Bhuj-Kutch-370105 Gujarat	31 <sup>st</sup> March, 2025	0.17	-	Direct	-
<b>Total</b>				<b>11.71</b>			

### 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: 23<sup>rd</sup> May, 2025

**(Rajiv Poddar)**  
Joint Managing Director

**(Vijaylaxmi Poddar)**  
Chairperson of CSR Committee



## Annexure - III

### Form No. MR-3

### SECRETARIAL AUDIT REPORT

for the financial year ended 31<sup>st</sup> March, 2025

[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 Sambhajanagar 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 authorised 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, 2025 (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, 2025 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;
- (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



## Directors' Report & Management Discussion and Analysis

- 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. There were no changes in the composition of the Board of Directors during the period under review.

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. System exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All the resolutions passed by circulation have duly been recorded in the minutes of the subsequent meetings.

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** 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 Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated March 25, 2025 has sanctioned the Scheme. The Company is yet to file this Order with the Registrar of Companies, which is awaiting for the certified copy of the order.

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.

Place : Navi Mumbai,  
Date : May 23, 2025

Name : **G.B.B. Babuji**  
Company Secretary in Whole-time Practice  
Membership No. **FCS-1182** C P No. **8131**  
PR No. **1353/2021**  
UDIN **F001182G000416146**

### 'Annexure A'

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

My Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2025 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.

Place : Navi Mumbai,  
Date : May 23, 2025

Name : **G.B.B. Babuji**  
Company Secretary in Whole-time Practice  
Membership No. **FCS-1182** C P No. **8131**  
PR No. **1353/2021**  
UDIN **F001182G000416146**

## 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) Steps Taken or Impact on Conservation of Energy:

As a responsible organisation, the Company has consistently undertaken efficient energy management initiatives aimed at reducing operational costs and minimising environmental impact. These efforts align with global trends toward energy sustainability and provide a competitive advantage. The Company has invested in energy-efficient technologies and renewable energy sources to reduce dependence on fossil fuels.

##### Key initiatives include:

1. Installation of Variable Frequency Drives (VFDs) for RO water recycling across all plants, significantly reducing power consumption.
2. Reduction in specific power consumption through:
  - System improvements to reduce electrical energy losses.
  - Upgrading machinery with energy-efficient components.
  - Replacing conventional motors with energy-efficient models.
  - Implementing VFDs with closed-loop feedback on pumps.
  - Installing energy-efficient LED lighting.
  - Minimising idle equipment run time.
  - Reducing breakdown occurrences.
  - Arresting air and steam leakages.
3. Replacement of diesel forklifts with battery-operated forklifts to reduce emissions.
4. Reduction in steam coal consumption through boiler refurbishment, utility optimisation, and efficient plant capacity utilisation.
5. Retrofitting of electronically commutated fan air washers in place of centrifugal blower-type air washers.
6. Installation of new energy-efficient pumps replacing conventional ones.
7. VFD installations on cold/hot water supply pumps, hydraulic supply pumps, and DCC makeup pumps.

8. VFD installation on Mixer #5 batch-off mill.
9. Replacement of conventional fans with BLDC fans on Mixer #5 cooling rack.
10. Replacement of wall-mounted fans with energy-efficient models.
11. Modification of return headers to eliminate cooling tower makeup water usage.
12. Regular air leakage inspections to reduce compressor energy consumption.
13. Replacement of multiple rewound motors with IE3 energy-efficient motors.

##### Awards & Recognition:

- Bhiwadi Plant received QCFI Gold award 2024
- Chopanki Plant received ICC Excellence in Sustainability Award 2024
- BKT Bhuj Plant achieved Gold Medal in National Awards for Manufacturing Competitiveness 2024-25
- Chopanki Plant received Gold Category for the prestigious GEEF Global Safety Award 2025 in the Rubber (Tire Manufacturing) Industry.
- Bhuj Plant received the National Energy Conservation Award (NECA) 2024 – Certificate of Merit.

##### (II) The Steps Taken by The Company for Utilising Alternate Sources of Energy:

- A 3 MW solar power plant was installed and commissioned at the Waluj Plant, operational since April 2024.
- Utilisation of wind energy at the Bhiwadi Plant, generating approximately 4.7 million kWh in FY 2024–25.
- Increase in utilisation of biogas as an alternate fuel in canteen operation at Waluj effectively replacing LPG and avoiding emissions totalling 4.26 tCO<sub>2</sub>e.

##### (III) Capital Investment on Energy Conservation Equipments:

The Company has made strategic investments upto ₹ 13.50 Cr. in energy conservation equipment resulting in long-term savings and system efficiency improvements.



## Directors' Report & Management Discussion and Analysis

### B. TECHNOLOGY ABSORPTION

#### (I) Efforts Made Towards Technology Absorption:

The Company has undertaken continuous efforts to absorb and implement new technologies, including:

1. Installation of 21.5" Mini PCs across key processes to eliminate hard copy usage.
2. Implementation of IRAM systems for Mixers GK320/D270/F305.
3. Deployment of inkjet tread printing machines on 6", 10", and duplex extruders.
4. Software upgrades for all five Marangoni machines used in laminated tire production.
5. Installation of new stitcher assemblies in four Marangonis (one in progress).
6. Transition from temperature-based to energy-based (KJ/kg) mixing in all mixers.
7. Use of sustainable raw materials such as rice husk silica, plasticizers, and reclaimed rubber.
8. Implementation of a dual-detection Poka-Yoke system in Bead Winding-1 & 2 to prevent wire-missing issues.
9. Introduction of BS-80 spools in steel belt calendaring, doubling material length over BS-60.
10. Adoption of segmented moulds for specific tire sizes to prevent curing defects.
11. Development of segmented moulds in collaboration with the Head Office; sourced from a Chinese supplier.
12. Automation of carcass and green tire weighing and tag printing with Poka-Yoke in Agri Radial Marangoni machines.
13. Digital entry of tire serial numbers in the Line Craft Control System for Giant OTR tire Building.
14. Digitalisation initiatives led by the IT and process teams.
15. Installation of FGD systems to capture excess SOx in tail gas boilers at the power plant.

16. Redesign of reactor hot air lines to reduce heat loss in the Carbon Plant.
17. Increase in conversion efficiency by 0.8% in the Carbon Plant.
18. Change in pelletisation methodology in the Carbon Plant.

#### (II) The Benefits Derived Like Product Improvement, Cost Reduction, Product Development or Import Substitution:

- Enhanced productivity and product quality.
- Operator fatigue reduction.
- Improved process consistency.
- Cost reduction and import substitution.
- Reduced reliance on petroleum-based raw materials.

#### (III) In Case of Imported Technology (Imported During the Last Three Years Reckoned from the Beginning of The Financial Year):

- a) The details of technology imported: Leibinger Inkjet Tread Printing Machine for 6", 10", and Duplex Extruders.
- b) Year of Import: 2024
- c) Whether the technology been fully absorbed: Fully absorbed.
- d) 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: ₹ 59.87 Crores

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Crores)

- Foreign Exchange Outgo: ₹ 4,041.75
- Foreign Exchange Earned (FOB Basis): ₹ 6,900.19

For and on behalf of the Board of Directors

**ARVIND PODDAR**

Chairman & Managing Director  
DIN: 00089984

PLACE: Mumbai,  
DATED: 23<sup>rd</sup> May, 2025



## 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 FY 2024-25, the percentage increase in remuneration of each Whole Time Directors, Key Managerial Personnel (KMP) in the financial year:

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	730	12%
2	Mr. Rajiv Poddar	Joint Managing Director	713	13%
3	Mr. Vipul Shah	Director & Company Secretary	15	6%
4	Mr. Madhusudan Bajaj	Senior President & Director (Commercial) & CFO	68	83%

- (II) The percentage increase in median remuneration of employees in the FY 2024-25 is 4%.
- (III) There were 3758 permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2025.
- (IV) Average percentage increase already made in the salaries of employees was 11% other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration is 13%.
- (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: 23<sup>rd</sup> May, 2025



# Directors' Report & Management Discussion and Analysis

## ANNEXURE – VI

### Business Responsibility and Sustainability Report (BRSR)

We, Balkrishna Industries Limited ('BKT' or the 'Company') are proud to present our Business Responsibility and Sustainability Report (BRSR) for FY 2024-25, prepared in compliance with the revised Clause 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 amended dated March 28, 2025. This report discloses our business performance and impacts based on the Nine NGRBC Principles, demonstrating our dedication to responsible and sustainable business practices.

This report reflects our aspiration to become a corporate that contributes to a sustainable society while growing and creating value. We work with our global customers and stakeholders to pursue our sustainability goals. This report showcases our progress and efforts in this transformative journey, emphasising our sustainability commitment and our stakeholder engagement to achieve shared objectives.

We are committed to uphold utmost transparency to maintain investor confidence and meet the diverse needs of all stakeholders. By ensuring transparency, we aim to align our operations with the interests of investors and other key stakeholders, thereby enhancing trust and sustainable growth.

Bureau Veritas (India) Private Limited has issued Independent Assurance Statement for reasonable assurance of the core indicators of BRSR.

#### 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, Waluj MIDC, Waluj Industrial Area, Chhatrapati Sambhaji Nagar, 431136 – 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 2024 to 31 <sup>st</sup> March 2025
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	₹ 3866 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 assessment or assurance provider	Bureau Veritas (India) Private Limited
15.	Type of assessment or 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
1.	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.	91%

### 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	91%

## 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	0	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)	125+ Countries

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

Contribution of exports is around 71% of total turnover.

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

Our main customers are in the Agriculture and Farming sectors. We also cater to various other industries that use cross-ply and radial tires for different purposes, such as Mining, Forestry, Construction, Industrial, Earthmover, Port, ATV (All-Terrain Vehicle) and Turfcare. We have customers in the local and global markets, with most of our exports going to Europe and USA.

## IV. Employees

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

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

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	2,880	2,834	98.40%	46	1.60%
2.	Other than Permanent (E)	87	85	97.70%	2	2.30%
3.	<b>Total employees (D + E)</b>	<b>2,967</b>	<b>2,919</b>	<b>98.38%</b>	<b>48</b>	<b>1.62%</b>
WORKERS						
4.	Permanent (F)	878	878	100.00%	0	0.00%
5.	Other than Permanent (G)	8,283	8,248	99.58%	35	0.42%
6.	<b>Total workers (F + G)</b>	<b>9,161</b>	<b>9,126</b>	<b>99.62%</b>	<b>35</b>	<b>0.38%</b>



## Directors' Report & Management Discussion and Analysis

### b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	1	1	100.00%	0	0.00%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	<b>Total differently abled employees (D + E)</b>	<b>1</b>	<b>1</b>	<b>100.00%</b>	<b>0</b>	<b>0.00%</b>
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0.00%	0	0.00%
5.	Other than permanent (G)	6	6	100.00%	0	0.00%
6.	<b>Total differently abled workers (F + G)</b>	<b>6</b>	<b>6</b>	<b>100.00%</b>	<b>0</b>	<b>0.00%</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 2024-25 (Current financial year)			FY 2023-24 (Previous financial year)			FY 2022-23 (Year prior to previous financial year)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10.32%	16.28%	10.41%	13.86%	12.05%	13.83%	14.02%	9.64%	13.95%
Permanent Workers	5.12%	NA	5.12%	3.56%	NA	3.56%	3.61%	NA	3.61%

## 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 EUROPE S.R.L.	Subsidiary	100%	No, the Company is reporting on Business Responsibility and Sustainability Reporting on standalone basis
2	BKT USA INC	Subsidiary	100%	
3	BKT Tires (CANADA) INC	Subsidiary	100%	
4	BKT Tires INC <sup>#</sup>	Subsidiary	100%	

Note: Hon'ble National Company Law Tribunal vide its order dated 25<sup>th</sup> March 2025 had approved the merger of BKT Tyres Limited with the Balkrishna Industries Limited and it is not disclosed in the above table.

<sup>#</sup> The merger of BKT Exim US, INC & BKT Tires INC is completed. The surviving entity is BKT Tires INC.

## VI. CSR Details:

24. (i) **Whether CSR is applicable as per section 135 of Companies Act, 2013:** (Yes/No) - Yes  
(ii) **Turnover (in ₹):** ₹ 10,413 Crores  
(iii) **Net worth (in ₹):** ₹ 10,384 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 strengthen our stakeholder engagement, we have implemented a common grievance redressal portal accessible to all pertinent stakeholders. This initiative ensures broad outreach and promotes transparent communication channels. By actively engaging with stakeholders, we gain valuable insights into their concerns and evaluate potential impacts on our operations. Furthermore, we have established a rigorous review mechanism to systematically monitor grievance resolutions and adhere to specified 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 2024-25			FY 2023-24		
		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/www/us/grievances">https://www.bkt-tires.com/www/us/grievances</a>	0	0	--	0	0	--
Investors (Other than Shareholders)*	Yes, <a href="https://www.bkt-tires.com/www/us/grievances">https://www.bkt-tires.com/www/us/grievances</a>	0	0	--	0	0	--
Shareholders / Investors	Yes, <a href="https://www.bkt-tires.com/www/us/grievances">https://www.bkt-tires.com/www/us/grievances</a>	19	6	**	32	1	**
Employees and Workers	Yes, <a href="https://www.bkt-tires.com/www/us/grievances">https://www.bkt-tires.com/www/us/grievances</a>	0	0	--	0	0	--
Customers	Yes, <a href="https://www.bkt-tires.com/www/us/grievances">https://www.bkt-tires.com/www/us/grievances</a>	12,791	995	**	10,040	1,817	**
Value Chain Partners	Yes, <a href="https://www.bkt-tires.com/www/us/grievances">https://www.bkt-tires.com/www/us/grievances</a>	0	0	--	0	0	--
Others (Please specify)	Other stakeholders can raise their grievances here: <a href="https://www.bkt-tires.com/www/us/grievances">https://www.bkt-tires.com/www/us/grievances</a>	0	0	--	0	0	--

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

\*\* Subsequent to year end, the Company has resolved pending investors' complaints / grievances and certain other customer complaints / grievances, which were pending as at close of the year. Further, the Company is taking necessary steps to resolve remaining customers' complaints / 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 identified	issue	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	<b>Product Quality and Safety</b>		Risk	Product failures in the tire industry can lead to serious safety issues, recalls, and substantial financial damage. Ensuring high-quality and safe products is essential to protect consumers and maintain the Company's market position.	We have rigorous quality control procedures and conduct regular product testing to prevent defects. Additionally, we adhere to product safety practices to meet or exceed the highest standards.	Negative: Product recalls and safety failures are costly and can severely impact customer trust and company reputation.
2	<b>Water Stewardship</b>		Risk	Water scarcity and ineffective water management can cause conflicts with local communities, regulatory fines, and increased operational expenses.	We have adopted water-efficient technologies and wastewater recycling methods to minimise freshwater usage, including Effluent treatment plant, Sewage treatment plant, Multi-effect evaporation and RO reject reuse. We also engage with stakeholders in water-stressed areas to collaboratively manage shared water resources by using Customised STP and ETP treated water to reduce possible freshwater requirement into operations along with improving community relations and ensuring operational stability.	Negative: Poor water management can disrupt operations and lead to additional costs for water procurement and regulatory compliance.



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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)
3	<b>Corporate Governance</b>	Risk	Governance issues can result in significant non-compliance risks, undermining investor confidence and legal standing. The highly regulated tire industry requires strict governance to maintain ethical standards and operational transparency.	We have enhanced board oversight through regular training and internal audits, ensuring alignment with global governance standards. We have also implemented robust internal controls and compliance monitoring systems to effectively manage and mitigate governance risks.	Negative: Inadequate governance can lead to regulatory fines, erode investor trust, and negatively impact market value.
4	<b>Emissions Management</b>	Risk & Opportunity	Reducing energy consumption and carbon emissions through energy-saving initiatives, renewable energy projects, process optimisation, and logistics network improvements.	We have mapped our emission inventory and are in the process of developing temporal based decarbonisation road map. We have deployed air pollution control and monitoring devices to reduce and track fugitive emissions for continuous monitoring and reporting.	Positive: With energy saving initiatives and efforts to mitigate, manage and minimise the emissions are expected to have positive financial and environmental implications.
5	<b>Energy Management</b>	Opportunity	Efficient energy management lowers operational costs and reduces environmental impact, aligning with global trends towards energy sustainability and providing a competitive advantage.	We have invested in energy-efficient technologies and renewable energy sources to decrease reliance on fossil fuels. We also plan to adopt best practices for energy management, such as the ISO 50001 standard, to optimise energy use and reduce costs.	Positive: Effective energy management reduces costs and enhances the Company's sustainability profile, attracting eco-conscious investors and customers.
6	<b>Sustainable Strategy for Climate Resilience</b>	Opportunity	Developing resilient products and processes to adapt to climate change positions the Company as a leader in sustainability, attracting investments and customers.	We plan to innovate and introduce new tires that can adapt to various climatic conditions. We are continuously investing in Research and development to lower the carbon footprint of our production processes and products. We will enhance our operational flexibility to respond to weather-related disruptions and conduct climate change risk assessments.	Positive: Proactive climate adaptation measures can lead to operational efficiencies, open new markets, and boost brand loyalty, positively affecting the bottom line.
7	<b>Business Ethics and Compliance</b>	Risk	The Company mandates adherence to the Code of Conduct Policy and ethical behaviour, with zero tolerance for non-compliance.	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: Failure to adhere to the code of conduct will have a negative reputational impact on employees and stakeholders.
8	<b>Innovation and Digitalisation</b>	Opportunity	Embracing digital transformation and innovation can significantly enhance operational efficiencies, customer engagement, and open new revenue streams.	We have prioritised investments in R&D and digital technologies that streamline operations and improve product development processes. This fosters a culture of innovation to sustain competitive advantage. We will integrate advanced analytics and IoT technology to enhance our manufacturing and supply chain operations.	Positive: Investments in digitalisation typically yield high returns through improved market positioning and customer satisfaction.

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)
9	<b>Waste management &amp; Circular Economy</b>	Opportunity	Enhancing operational efficiency and adhering to resource efficiency, results in reduced waste creation, better waste management and lower environmental impact.	We are working towards reducing the environmental impact of waste generated across our operations. We are driving waste management programs through partnerships with recyclers who collect, process, and dispose of waste in accordance with relevant guidelines.	Positive: Managing waste at each stage of the manufacturing process directly impacts achieving resource efficiency and compliance with all applicable regulations, leading to positive financial impacts.
10	<b>Ethical Procurement</b>	Risk	Ethical breaches in procurement can lead to legal penalties and reputational damage.	We have established strict procurement policies that enforces compliance with ethical standards, including third-party certifications and audits. We also leverage industry best practices for ethical procurement to enhance transparency and accountability within our supply chain.	Negative: Ethical lapses could result in regulatory fines and loss of business credibility, adversely impacting financial performance.
11	<b>Sustainable Supply Chain</b>	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 have developed a resilient supply chain framework by diversifying suppliers and integrating sustainability criteria into supplier selection. We have also implemented 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



## Directors' Report & Management Discussion and Analysis

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**	<p><b>Principle 1 –</b></p> <ul style="list-style-type: none"> <li>Ethics, Transparency &amp; 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> <li>Tax Strategy Policy</li> <li>Preservation of Documents Policy</li> </ul> <p><b>Principle 2 –</b></p> <ul style="list-style-type: none"> <li>Sustainable Development Policy</li> <li>Natural Rubber Procurement Policy</li> </ul> <p><b>Principle 3 –</b></p> <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> <li>HIV-AIDS workplace Policy</li> <li>Equal Opportunity Policy</li> </ul> <p><b>Principle 4 –</b></p> <ul style="list-style-type: none"> <li>Stakeholder Relationship Policy</li> </ul> <p><b>Principle 5 –</b></p> <ul style="list-style-type: none"> <li>Human Rights and Labor Policy</li> </ul> <p><b>Principle 6 –</b></p> <ul style="list-style-type: none"> <li>Environment, Health and Safety Policy</li> <li>Business Continuity Policy</li> </ul> <p><b>Principle 7 –</b></p> <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> <p><b>Principle 8 –</b></p> <ul style="list-style-type: none"> <li>CSR Policy</li> <li>Inclusive Growth and Equitable Development Policy</li> </ul> <p><b>Principle 9 –</b></p> <ul style="list-style-type: none"> <li>Cyber Security and Data Privacy Policy</li> <li>Customer Relationship Policy</li> </ul> <p>** All policies can be viewed under 'Policies' at <a href="https://www.bkt-tires.com/www/us/investors-desk">https://www.bkt-tires.com/www/us/investors-desk</a></p>								
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. <b>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.</b>	<p>P1: Our <a href="#">Ethics, Transparency and Accountability Policy</a> provides us the guidance and support we need to conduct our business ethically and comply with applicable laws.</p> <p>P2: Our company is now part of the Global Platform for Sustainable Natural Rubber framework, and we have a <a href="#">Natural Rubber Procurement Policy</a> in place. As part of the Quality Management System, we have adopted ISO 9001:2015 and we also adhere to Kaizen principles. Further, <a href="#">Sustainable Development Policy</a> is also available on our website.</p> <p>P3: Our Bhuj, Bhiwadi &amp; Chopanki sites have been certified with ISO 45001:2018. We also have various policies in place such as <a href="#">Employee Welfare Policy</a>, <a href="#">Diversity and Inclusion Policy</a> and <a href="#">Human Rights and Labor Policy</a></p> <p>P4: Our <a href="#">Stakeholder Relationship Policy</a> creates awareness among the stakeholders about pursuing business operations in a sustainable manner.</p> <p>P5: Our <a href="#">Human Rights and Labor Policy</a> lays forth guiding principles for upholding and protecting human rights throughout the our operations.</p> <p>P6: Our Bhuj, Bhiwadi and Chopanki sites are an ISO 14001:2015 certified. Further, we also have <a href="#">Environment, Health and Safety Policy</a> and <a href="#">Business Continuity Policy</a>.</p> <p>P7: Our <a href="#">Code of Conduct Policy</a> states the importance of being ethical and responsible while dealing with regard to company's public image, finances and products.</p> <p>P8: Our <a href="#">Corporate Social Responsibility Policy</a> is compliant with Companies Act, 2013.</p> <p>P9: Our <a href="#">Cyber Security and Data Privacy Policy</a> serves as an overarching framework for IT security policy and standards. We are certified in accordance with ISO 9001:2015 (Quality Management System) and our BKT Carbon is certified in accordance with IATF 16949:2016 (Quality management system for organisations in the automotive industry)</p>								
5. <b>Specific commitments, goals and targets set by the entity with defined timelines, if any Specific.</b>	<p>On an annual basis, the Company identifies and agrees to take measures to reduce its GHG emissions, wastages, and water consumption across all the plants as part of the sustainability initiative.</p> <p>Internal goals and targets are set annually, and specific commitments are set periodically.</p>								
6. <b>Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.</b>	<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>								

#### Governance, leadership, and oversight

7. <b>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) -</b>	<p>We are releasing our third BRSR for FY 2024-25 to highlight our continuous dedication to environmental, social, and financial responsibility. Our sustainability efforts focus on reducing GHG emissions, energy usage, and water consumption. By employing energy-efficient technologies and integrating climate considerations into our decision-making, we aim to bolster resilience against climate risks and foster a sustainable future. Additionally, we enhance sustainability practices throughout our value chain by collaborating with suppliers and partners, implementing measures to boost transparency and accountability.</p> <p>We are responsible for our community of BKT employees, suppliers, retailers, customers, and all esteemed stakeholders. A significant part of our global responsibility involves protecting the planet, reflected in our efforts to reduce our carbon footprint and enhance eco-friendly tire solutions. Moreover, digitalisation and automation play a crucial role in our sustainability journey, enabling resource optimisation, operational efficiency, and environmental impact reduction.</p> <p>Collectively, we value our people and their well-being, supporting our global community with a unique corporate culture focused on innovation, growth, and genuine through our BRSR, we highlight our initiatives and improvements while expressing gratitude to our stakeholders for their continued trust and support.</p>
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## Directors' Report & Management Discussion and Analysis

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8. <b>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies</b>	<p>The Business Responsibility and Sustainability Committee is responsible for implementation and oversight. The composition of the Committee as on 31<sup>st</sup> March 2025 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. <b>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.</b>	<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. <b>Details of Review of NGRBCs by the Company:</b>									
Subject for review	Indicate whether the review was undertaken by Director/committee of the board/ any other committee								
	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
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
<p>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.</p>									
11. <b>Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?</b>	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Y	Y	Y	Y	Y	Y	Y	Y	Y
<p>Yes, in addition to internal audits, external audits like BRSR Assurance and ISO certification surveillance/renewal audits scrutinise our policies aligned with NGRBC principles, ensuring implementation integrity.</p> <p>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.</p>									
12. <b>If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:</b>									
Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
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)									

This question is not applicable since the answer to question (1) is yes.

## 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 categorised 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	1	The Company has designed awareness sessions and workshops on policies and practices covering Code Of Conduct, Anti-Bribery and Anti-Corruption, Ethics and Accountability, Environment, Health and Safety, Sustainable Development, Diversity and Inclusion, Human Rights, Stakeholder Relationship, Employee Welfare, Cybersecurity and Data Privacy, Business Continuity, Corporate Social Responsibility, Sustainability topics including update on Business Responsibility and Sustainability Reporting, Tax Strategy, ESG, Climate change, Decarbonisation, Life Cycle Assessment, Biodiversity, EUDR, Cyber Security and Natural Rubber Procurement etc. encompassing all the relevant principles of NGRBC to respective stakeholder.	100%
Key Managerial Personnel *	1		100%
Employees other than BoD and KMPs	780		100%
Workers	2,260		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	The Company has been formed strong foundation over the year of ethical behaviour and business conduct. In general, there have been no instances of material fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings with regulators/law enforcement agencies/ judicial institutions, in the FY 2024-25.				
	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	



## Directors' Report & Management Discussion and Analysis

### 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, The Company's [Code of Conduct](#), covers aspects relating to [Anti-Corruption and Anti-Bribery Policy](#), the coverage of which extends to all employees of the Company and its subsidiaries and associate companies. The Company is committed to maintaining the highest ethical standards while undertaking fair business operations and implementing and enforcing effective systems to detect, counter, and prevent bribery and corruption. The Company has zero tolerance towards corrupt practices.

### 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 2024-25	FY 2023-24
Directors	No Directors/KMPs/employees/workers were involved in bribery/corruption both, in FY 2024-25 and FY 2023-24. Hence, no action was taken by any law enforcement agency.	
KMPs		
Employees		
Workers		

### 6. Details of complaints about conflict of interest:

	FY 2024-25		FY 2023-24	
	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 material 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 2024-25	FY 2023-24 *
Number of days of accounts payable	9.79	11.52

\* The number of days of accounts payables FY 2023-24 has been recalculated and restated based on the re-classification done in the standalone financial statements of the Company.

### 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 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	11.36%	11.33%
	b. Number of trading houses where purchases are made from	1,293	1,290
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	78.50%	81.49%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	86.36%	83.30%
	b. Number of dealers / distributors to whom sales are made	334	308
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	33.98%	41.49%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.469%	0.004%
	b. Sales (Sales to related parties / Total Sales)	2.37%	2.48%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	0.02%	0.04%



## 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.	71% by value of business done with value 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. We have adopted the 'Code of Conduct' for the Board Members and Senior Management, which sets clear guidelines for avoiding and disclosing actual or potential conflicts of interest with the Company. We receive an annual declaration and changes, if any, from time to time from our Board of Directors and Senior Management on the Code of Conduct Policy.

The Code's comprehensive nature ensures transparency, integrity, and accountability among board members and senior management, safeguarding company's interests and reputation. This can be accessed at [Code of conduct for Board members and Senior management](#).

## 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 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	100 %	100%	Exploring potential sustainable and environment friendly alternative raw material / recyclable / increased percentage of reclaimed materials with lower emission footprint etc.
Capex	19.20 %	15.57%	Pertaining to Energy efficiency, emission reduction, water reduction / recycling 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 into our operations. The [BKT Supplier Manual](#) and [Natural Rubber Procurement Policy](#) and our comprehensive guide to strengthen our partnerships and cultivate a culture of sustainable growth and success throughout the entire upstream supply chain. We also conduct supplier audits using an extensive checklist which evaluates suppliers on quality, 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](#). [Sustainable Procurement Policy](#) as part of the BKT Supplier Manual and [Natural Rubber Procurement Policy](#) outlines the mandatory supplier requirements for ethical and sustainable business practices. It reflects our commitment to responsible, transparent, and sustainable operations, central to our core sustainable business strategy.

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 2024-25, majority of total raw material (by value) was sourced from ISO certified suppliers for our operations.



## Directors' Report & Management Discussion and Analysis

### 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 circularity. 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 sale of products to customers. 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 minimising 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 rubberised 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) is applicable to BKT, and we comply with the prevailing EPR rules and regulations. Our waste collection plan aligns with the EPR guidelines, and the plan submitted to the Central Pollution Control Board (CPCB). We have been registered on the CPCB online portal dedicated to EPR Credit exchange and ensure timely submissions of our plastic and tire footprint and corresponding EPR credits purchased.

## 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 in process of conducting Life Cycle Assessment through an independent external agency					

### 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 2024-25 *	FY 2023-24
Crumb powder, recycled rubber, rubberised friction compound, Recovered Carbon Black, recovered oil, bead wire, steel cord with recycle content	0.70%	0.51%

\* The inclusion of bead wire, steel cord with recycle content has also contributed to an increase in the percentage of recycled and reused materials in the total material consumption for FY 2024-25

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

	FY 2024-25			FY 2023-24		
	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, rubberised friction compound, Recovered Carbon Black, recovered oil,* bead wire, steel cord with recycle content	NA	6744	NA	NA	4,964.23	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. Alongside safety at work, we are supporting the holistic well-being of all individuals and covering physical, mental, and emotional health will always be our priorities.

### Essential Indicators

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

Category	Total (A)	% Of employees covered by									
		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)
				Permanent employees							
Male	2,834	2,834	100%	2,834	100%	NA	NA	0	0%	0	0%
Female	46	46	100%	46	100%	46	100%	NA	NA	0	0%
Total	2,880	2,880	100%	2,880	100%	46	100%	0	0%	0	0%
				Other than Permanent employees							
Male	85	85	100%	85	100%	NA	NA	0	0%	0	0%
Female	2	2	100%	2	100%	2	100%	NA	NA	0	0%
Total	87	87	100%	87	100%	2	100%	0	0%	0	0%

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

Category	Total (A)	% Of employees covered by									
		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)
Permanent workers											
Male	878	596	67.88%	878	100%	NA	NA	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	NA	NA	0	0%
Total	878	596	67.88%	878	100%	0	0%	0	0%	0	0%
Other than Permanent workers											
Male	8,248	3,713	45.02%	8,248	100%	NA	NA	0	0%	0	0%
Female	35	7	20%	35	100%	35	100%	NA	NA	0	0%
Total	8,283	3,720	44.91%	8,283	100%	35	100%	0	0%	0	0%

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 2024-25	FY 2023-24
Cost incurred on wellbeing measures as a % of total revenue of the Company	0.11%	0.10%

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

Benefits	FY 2024-25			FY 2023-24		
	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



## Directors' Report & Management Discussion and Analysis

### 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 [Equal Opportunity Policy](#) and [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.

We continue to believe that our policies regarding equal employment opportunities are necessary to comply with state and local laws and obligations as they are in line with our core values and represent an important contribution to the communities in which we live and work.

### 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 <sup>#</sup>	100%	0%	NA	NA
<b>Total</b>	<b>100%</b>	<b>0%</b>	<b>NA</b>	<b>NA</b>

<sup>#</sup>One female permanent employee has availed maternity leave in FY 2023-24 and returned to work in FY 2024-25 and later resigned during the year.

### 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.  Workers can use suggestion box or directly approach the respective person in charge for any concerns. Additionally, we have established a <a href="#">grievance redressal portal</a> to record and resolve any type of grievances.
Other than Permanent Employees	

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

Category	FY 2024-25			FY 2023-24		
	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>	<b>2,880</b>	<b>0</b>	<b>0%</b>	<b>2,709</b>	<b>0</b>	<b>0%</b>
- Male	2,834	0	0%	2,669	0	0%
- Female	46	0	0%	40	0	0%
<b>Total Permanent Workers</b>	<b>878</b>	<b>206</b>	<b>23%</b>	<b>881</b>	<b>221</b>	<b>25%</b>
- Male	878	206	23%	881	221	25%
- Female	0	0	0%	0	0	0%



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

Category	FY 2024-25					FY 2023-24				
	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)
Employees										
Male	2,834	2,834	100%	2,834	100%	2,669	2,669	100%	2,669	100%
Female	46	46	100%	46	100%	40	40	100%	40	100%
Total	2,880	2,880	100%	2,880	100%	2,709	2,709	100%	2,709	100%
Workers										
Male	878	878	100%	878	100%	881	881	100%	881	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Total	878	878	100%	878	100%	881	881	100%	881	100%

Note: Only Permanent employees and Workers are accounted

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

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	2,834	2,834	100%	2,669	2,669	100%
Female	46	46	100%	40	40	100%
<b>Total</b>	<b>2,880</b>	<b>2,880</b>	<b>100%</b>	<b>2,709</b>	<b>2,709</b>	<b>100%</b>
<b>Workers</b>						
Male	878	878	100%	881	881	100%
Female	0	0	0%	0	0	0%
<b>Total</b>	<b>878</b>	<b>878</b>	<b>100%</b>	<b>881</b>	<b>881</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 have health and safety management systems, 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 [Environment, Health and Safety Policy](#) applies to the entire organisation. The senior management has taken a pro-safety stance and setup the 'Environment, Health and Safety (EHS) Department' at each location. The safety committees and the EHS department cohesively assists the management in achieving safety objectives and ensures prevention of safety related incidents. The Occupational Health and Safety (OHS) system ISO 45001:2018 is implemented across the major production facilities of the Company.

The system includes communication of safety-related information to customers and prioritises safety in the supply chain through a rigorous vendor selection process and continual evaluation. Drivers involved in transportation also undergo periodic training sessions on transportation and product safety as part of the system.

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

Our risk management strategy employs a range of qualitative, quantitative, and specialised tools at all our plants. Qualitative methods include Hazard Identification & Risk Assessment to identify work-related hazards and assess risks. Specialised tools include EHS Inspection, Fire Safety Measures, Third Party EHS audit and disaster management plan to verify effectiveness. These approaches collectively enhance our ability to identify, assess, and mitigate risks effectively. 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, 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 our workers and employees. Further our major operational site at Bhuj, Bhiwadi, Chopanki are certified with ISO 45001:2018.



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**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. Hazard control programs involve active participation from workers and contractors, with individual roles explained in the local language to enhance understanding and ensure protection from work-related risks. Instruction for workers, including safety signboards, are prominently displayed, and evacuation plans with clear access and safe assembly points are in place for prompt response to work-related risks.

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

Yes, Employees and workers of the entity have access to non-occupational medical and healthcare services. This includes health counselling conducted after periodic medical examinations. 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 specialised care through the Insurance & ESIC coverage extended by the organisation.

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

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.12	0.09
Total recordable work-related injuries	Employees	0	0
	Workers	3	2
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 organisation.

#### 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.
- Organise 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.
- Significant risks and concerns are systematically identified through a combination of internal and external mechanisms. Subsequently, corrective and preventive action plans (CAPA) are meticulously implemented, adhering to the hierarchy of risk controls.
- These action plans encompass several key measures. Firstly, safety-instrumented systems are provided alongside enhancements in engineering and design controls to fortify safety measures.
- Operational control procedures undergo regular review and revision to align with evolving safety standards. Continuous improvement in EHS competence is ensured through ongoing training and retraining initiatives.
- The Company also emphasises the provision and upkeep of critical systems such as fire protection, personal protective equipment, occupational health surveillance and Material Safety Data Sheet (MSDS) for flammable chemicals.
- Furthermore, enhancements in monitoring and measurement mechanisms are prioritised to effectively track safety performance. Internal and external inspections and audits are conducted to maintain compliance and identify areas for further enhancement, reflecting the Company's commitment to robust risk management and safety practices.

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

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

	FY 2024-25			FY 2023-24		
	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 measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners**

The Company cross-checks the deposit of statutory dues and filing of returns by value chain partners through bills, challans, and data available on government portals. Additionally, a third-party software tool is utilised to ensure compliance with requirements. In case of any deficiency or mismatch, the respective team addresses the issue with the value chain partners for review and correction.

**2. 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 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	NA. There have been no instances of high consequence work-related injury / ill-health / fatalities during FY 2024-25 and FY 2023-24.			
Working conditions				

**3. 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.

**4. 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 procurement practices and internal policies to ensure that our value chain partners are complying with applicable laws, regulations, and industry standards
Working conditions	



## Directors' Report & Management Discussion and Analysis

### 5. 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 2024- 25.

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

Our multi-stakeholder model respects the interests of all stakeholders and is quick to respond to their different needs. We believe in creating long-term value by caring for all our stakeholders, comprising our consumers, customers, employees, shareholders, business partners, and above all, our planet and society.

### 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 Company also have [Stakeholder Relationship Policy](#) available in public domain.

We have conducted detailed Stakeholder Engagement and Materiality Assessment (SEMA) in FY 2023-24, 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 Organisations 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 & Marginalised 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 organisations</li> <li>3. Awareness program</li> <li>4. Trade shows</li> </ol>	Regular engagement	We are 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> <li>8. Suggestion Box</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.



Stakeholder Group	Whether identified as Vulnerable & Marginalised 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
Communities / NGO's	Yes	1. Project Meetings 2. Community interactions with NGOs 3. Grievance mechanisms 4. Print Media 5. Rural relief activities 6. Gram Panchayat meetings	Need-based engagement	We work with non-governmental organisations (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 Organisations and Educational Institutions	No	1. Website and portals 2. Industry meets, Seminars 3. Education – Conclaves and Campus Hiring 4. Official / Site visits 5. Events and Sponsorships	Need-based engagement	We engage with Government Agencies and Industry Organisations 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	1. Annual general shareholders meeting 2. Quarterly Financial result declaration 3. Media Release, Investors conference 4. One to One physical meet and phone call	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	1. E-mails, phone calls and plant visits. 2. Awareness program	Regular engagement	We engage with our suppliers to ensure quality, business continuity and confirmation on <a href="#">Supplier Code of Conduct</a> . 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. The material topics chosen within the scope of this engagement were assessed through materiality surveys conducted in FY 2023-24, and the resulting analysis was communicated to stakeholders. The Management has internally reviewed the validity of material topics again this year.

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.

Yes, stakeholder consultation is paramount to us, as we live in an uncertain and constantly changing world. To create long-term value, we take steps to understand each stakeholder group's needs and priorities through several mediums, including direct engagement or via delegated committees and forums. We conduct a sustainability materiality assessment to identify and prioritise sustainability issues across our value chain so that we can focus on the key issues affecting our stakeholders.

We also regularly consult our internal and external stakeholders to identify and manage material topics. Based on materiality assessment, we have prioritised 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.



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

Our Company is committed towards contributing to a sustainable future. We engage with vulnerable/marginalised stakeholder groups through CSR outreach programmes. The programmes are not just limited to philanthropy but also encompass holistic community development, institution building, and sustainability-related initiatives while focusing on vulnerable and marginalised group. Our CSR initiatives focus on integrating vulnerable and marginalised groups, ensuring their inclusion and empowerment through various programs like: Healthcare, Rural Development and Education.

For more details, please refer Annexure - II of Annual report on CSR report.

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

We prioritise 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 2024-25			FY 2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	2,880	2,880	100%	2,709	2,709	100%
Other than permanent	87	87	100%	69	69	100%
<b>Total employees</b>	<b>2,967</b>	<b>2,967</b>	<b>100%</b>	<b>2,778</b>	<b>2,778</b>	<b>100%</b>
<b>Workers</b>						
Permanent	878	878	100%	881	881	100%
Other than permanent	8,283	8,283	100%	7,481	7,481	100%
<b>Total workers</b>	<b>9,161</b>	<b>9,161</b>	<b>100%</b>	<b>8,362</b>	<b>8,362</b>	<b>100%</b>

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

Category	FY 2024-25					FY 2023-24				
	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)
Employees										
Permanent										
Male	2,834	0	0%	2,834	100%	2,669	0	0%	2,669	100%
Female	46	0	0%	46	100%	40	0	0%	40	100%
Other than Permanent										
Male	85	0	0%	85	100%	68	0	0%	68	100%
Female	2	0	0%	2	100%	1	0	0%	1	100%
Workers										
Permanent										
Male	878	0	0%	878	100%	881	0	0%	881	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Other than permanent										
Male	8,248	0	0%	8,248	100%	7,453	0	0%	7,453	100%
Female	35	0	0%	35	100%	28	0	0%	28	100%

### 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)	06	56,20,444	02	10,50,000
Key Managerial Personnel	01	4,41,33,250	00	-
Employees other than BoD and KMP	2,830	7,70,364	46	7,60,236
Workers	878	3,99,300	0	0

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

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	1.31%	1.26%

#### 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 designated a focal point responsible for addressing human rights matters within our organisation. The Human Resources Heads, in collaboration with the Plant Heads of the respective unit and the Head Office, are tasked with managing human rights issues or challenges that arise from or are influenced by our business operations. They are collectively responsible for responding to any concerns or complaints raised by both internal and external stakeholders regarding human rights.

Our [Human Rights and Labor Policy](#) is crafted to enhance awareness of human rights across our Company and to bolster our ability to effectively manage related issues.

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

The Human Rights Policy outlines the grievance mechanism and is accessible on the Company's website under the section titled '[Human Rights and Labour Policy](#)'. This policy extends to all value chain partners. Employees and workers are encouraged to report grievances to their line managers. Should any employee or worker have concerns, their first point of contact should be their reporting manager or the site Human Resources head.

For those who prefer to report issues anonymously, a dedicated [web portal](#) is available for all stakeholders to use. This portal allows grievances to be submitted confidentially. The process for raising grievances is detailed in the Policy, which can be found on the Company's website.

All grievances received are thoroughly investigated, and appropriate actions are taken to address and resolve the issues or complaints. When necessary, disciplinary actions are implemented, and assistance from regulatory authorities is sought to ensure proper resolution.

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

	FY 2024-25			FY 2023-24		
	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 2024-25	FY 2023-24
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



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

We are dedicated to safeguarding the rights of all our employees and workers by ensuring a work environment devoid of physical, verbal, or mental abuse. Our organisation maintains a strict "zero tolerance" policy against harassment based on race, colour, religion, sex, sexual orientation, gender identity or expression, pregnancy, age, nation of origin, disability, and any other actions that could create an objectionable or intimidating work atmosphere, including unwanted or unsolicited sexual advances.

To address and prevent sexual harassment in the workplace, we have implemented a comprehensive policy that includes mechanisms for receiving and addressing complaints. A dedicated committee has been established to oversee the effective functioning of this policy. We ensure that complainants face no adverse consequences in cases of discrimination and harassment, and we maintain the anonymity of the complainant as a matter of policy.

We have developed and enforced [Whistle-blower Policy](#), [Prevention of Sexual Harassment \(POSH\)](#) and [Diversity & Inclusion Policy](#) policies to effectively mitigate adverse outcomes in cases of discrimination and harassment. These policies are designed to reinforce our commitment to providing a workplace that offers equal opportunities for all, free from discrimination. We encourage our employees and workers to report any incidents of discriminatory behaviour and adhere to strict confidentiality measures regarding the information related to such incidents.

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

Yes, our business agreements and contracts consistently incorporate human rights requirements whenever we engage 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	--

Note: The assessments are conducted by an independent third party.

### 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 maintains a comprehensive human rights due diligence process, which it uses to continually evaluate and enhance its capacity to address any adverse human rights impacts. During the reporting period, no significant grievances or complaints related to human rights were received, and therefore, no business processes were modified or introduced.

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

Our organisation is dedicated to upholding human rights within our operations and among our value chain partners. We are currently enhancing our human rights due diligence processes and mechanisms to adopt a more risk-based approach at each location. Additionally, we regularly evaluate and motivate our suppliers to adhere to relevant laws that encompass critical aspects of human and workers' rights, in alignment with both national and international regulations. Human rights considerations are integral to our supplier onboarding process, and all suppliers must 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 of our premises and offices are fully equipped with facilities to ensure accessibility for visitors and individuals with disabilities.



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

	% Of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	We acknowledge that our value chain partners function autonomously, yet their actions can significantly influence our operations. To address this, we consistently audit and evaluate our purchasing practices and internal policies. This ongoing process guarantees that our partners adhere to applicable laws, regulations, and industry standards.
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 recognise 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 minimise our ecological footprint and contribute to the preservation of natural resources. By prioritising 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 2024-25	FY 2023-24
<b>From Renewable Sources</b>			
Total electricity consumption (A)	GJ	35,280	29,069
Total fuel consumption (B)	GJ	897	751
Energy consumption through other sources (C)	GJ	--	--
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>GJ</b>	<b>36,177</b>	<b>29,820</b>
<b>From Non-Renewable Sources</b>			
Total electricity consumption (D)	GJ	4,14,389	3,93,177
Total fuel consumption (E)	GJ	66,80,665	63,06,710
Energy consumption through other sources (F)	GJ	--	--
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>GJ</b>	<b>70,95,054</b>	<b>66,99,887</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>GJ</b>	<b>71,31,231</b>	<b>67,29,707</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations)	<b>GJ/Lakh INR</b>	<b>6.85</b>	<b>7.24</b>
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP) #	<b>GJ/Lakh INR</b>	<b>141.49</b>	<b>147.86</b>
<b>Energy intensity in terms of physical output</b>	<b>GJ/Mt of production</b>	<b>14.85</b>	<b>15.43</b>

# The revenue from operations has been adjusted for Purchasing Power Parity ('PPP') based on the PPP conversion rates published by International Monetary Fund ('IMF') which is 20.66 for current year and 20.43 for previous year. Energy intensity per rupee of turnover adjusted for PPP for the previous year has been recalculated and restated using PPP conversion rates published by IMF as required by Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.

**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 Reasonable 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.



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

Parameter	FY 2024-25	FY 2023-24
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	--	--
(ii) Groundwater	1,68,633	1,90,312
(iii) Third party water (Municipal water supplies)	19,09,277	17,26,223
(iv) Seawater / desalinated water	--	--
(v) Others (Rainwater)	9,371	19,447
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>20,87,281</b>	<b>19,35,982</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>20,84,842</b>	<b>19,33,589</b>
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations) (kilolitres /Lakh INR)	<b>2.00</b>	<b>2.08</b>
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP) (kilolitres /Lakh INR) #	<b>41.36</b>	<b>42.48</b>
<b>Water intensity in terms of physical output (kilolitres/Mt of production)</b>	<b>4.34</b>	<b>4.43</b>

\*The revenue from operations has been adjusted for Purchasing Power Parity ('PPP') based on the PPP conversion rates published by International Monetary Fund ('IMF') which is 20.66 for current year and 20.43 for previous year. Water intensity per rupee of turnover adjusted for PPP for the previous year has been recalculated and restated using PPP conversion rates published by IMF as required by Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.

**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 Reasonable assurance for the above disclosure.

### 4. Provide the following details related to water discharged:

Parameter	FY 2024-25	FY 2023-24
<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	2,439	2,393
- 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>	<b>2,439</b>	<b>2,393</b>

**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 Reasonable 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 from all our manufacturing units, and water resources are utilised with utmost care. We ensure that no liquid effluents are released, and water resources are managed with the highest diligence.

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

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx *	mg/Nm <sub>3</sub>	131.32	91.12
SOx	mg/Nm <sub>3</sub>	61.14	65.84
Particulate Matter (PM)	mg/Nm <sub>3</sub>	23.40	27.88
Persistent Organic Pollutants (POP)	NA	NA	NA
Volatile organic Compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA

\* The value of NOx for FY 2023-24 have been recalculated and restated wherever applicable due to 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 Reasonable 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 2024-25	FY 2023-24
<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	6,75,773	6,29,185
<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	83,684	78,216
<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/Lakh INR	0.73	0.76
<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	15.07	15.54
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	MtCO <sub>2</sub> e/Mt of production	1.58	1.62

# The revenue from operations has been adjusted for Purchasing Power Parity ('PPP') based on the PPP conversion rates published by International Monetary Fund ('IMF') which is 20.66 for current year and 20.43 for previous year. Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for PPP for the previous year has been recalculated and restated using PPP conversion rates published by IMF as required by Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.

**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 Reasonable assurance for the above disclosure.

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

Our manufacturing sites are actively engaged in numerous projects aimed at mitigating greenhouse gas emissions. We focus 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. Among the initiatives undertaken at our plants are various measures to enhance environmental sustainability, reflecting our aim to reducing our carbon footprint. The following are some of the initiatives at our facilities:

- Additional rooftop solar plants were installed, increasing renewable energy capacity.
- Diesel-operated forklifts were replaced with battery-operated forklifts
- Introduced EV truck for internal transportation of carbon black at Bhuj site
- Street lighting automation was achieved through the installation of photo sensors.
- Conventional blowers were replaced with energy-efficient EC fans.
- Star-Delta starters are replaced by VFDs on various equipment to enhance energy efficiency.
- Ordinary exhaust fans and wall-mounted fans were replaced with energy-efficient BLDC fans.
- Refrigerant replacement for AC from R-22 to R-32.
- Common drain tank implemented for the Hot Feed & Duplex Extruder process, optimising chiller and pump usage.
- Energy-efficient IE4 motors installed on hot water pumps and vacuum pumps, reducing energy consumption



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

Parameter	FY 2024-25	FY 2023-24
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	2,030.32	2,424.64
E-waste (B)	14.54	239.81
Bio-medical waste (C)	0.06	0.02
Construction and demolition waste (D)	0.00	0.00
Battery Waste (E)	42.15	15.22
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Please specify, if any. (G)	1,013.63	715.60
Other Non-hazardous waste generated. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)		
Other Wastes (H)	17,393.41	20,692.96
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>20,494.12</b>	<b>24,088.25</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations) (Mt/Lakh INR)	0.02	0.03
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP) (Mt/Lakh INR)*	0.41	0.53
<b>Waste intensity in terms of physical output (Mt of total waste generated/ Mt of production)</b>	0.04	0.06

# The revenue from operations has been adjusted for Purchasing Power Parity ('PPP') based on the PPP conversion rates published by International Monetary Fund ('IMF') which is 20.66 for current year and 20.43 for previous year. Waste intensity per rupee of turnover adjusted for PPP for the previous year has been recalculated and restated using PPP conversion rates published by IMF as required by Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.

	FY 2024-25	FY 2023-24
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	12,266.38	14,206.23
(ii) Re-used	7,853.30	9,676.87
(iii) Other recovery operations	--	--
<b>Total</b>	<b>20,119.68</b>	<b>23,883.10</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	21.24	--
(ii) Landfilling	353.21	205.14
(iii) Other disposal operations	--	--
<b>Total</b>	<b>374.45</b>	<b>205.14</b>

**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 Reasonable 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.

Our waste management approach adheres to hazardous, non-hazardous and other waste regulations and embraces the principles of the circular economy. We aim to minimise waste disposal by evaluating business processes for potential waste generation and exploring alternative resources, technologies, and processes.

There are specific areas for process and non-process scrap, with segregated waste bins within the plant to ensure proper collection and disposal. We collaborate with authorised vendors to ensure the proper disposal of hazardous waste. Waste resulting from office operations is managed by the local municipality following local regulations. The following are some of the initiatives at our facilities:

- Dedicated hazardous waste storage facilities meeting regulatory requirements.



- Reduced polythene usage with permanent covers, re-using polythene after cleaning and storage.
- Monitored and improved bladder life with corrective actions.
- Reduced fabric and steel wire scrap with best practices and new spools. Salvaged steel from discarded molds and machines to manufacture parts.

**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
Project title as Expansion of Carbon Black Manufacturing Facility from 1.65 LTPA to 1.92 LTPA with existing CPP 40 MW under para 7(ii)	EC ID No. EC23A2301GJ5155819E	July 25, 2024	Yes	Yes	<a href="https://parivesh.nic.in">https://parivesh.nic.in</a>

**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:

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

Parameter	FY 2024-25	FY 2023-24
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	--	--
(ii) Groundwater	1,68,633	1,90,312
(iii) Third party water	17,42,424	17,18,866
(iv) Seawater / desalinated water	--	--
(v) Others – Rain water	7,545	19,447
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>19,18,602</b>	<b>19,28,625</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>19,18,602</b>	<b>19,28,625</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover) (kilolitres/ Lakh INR)</b>	<b>1.84</b>	<b>2.07</b>



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Parameter	FY 2024-25	FY 2023-24
<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>	--	--

**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 Reasonable assurance for the above disclosure.

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

Parameter	Unit	FY 2024-25	FY 2023-24
<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)	MtCO <sub>2</sub> e		36,60,829
<b>Total Scope 3 emissions per rupee of turnover</b>	MtCO <sub>2</sub> e/ Lakh INR	The Company is in the process of quantifying Scope 3 emissions for FY 2024-25.	3.94
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity	MtCO <sub>2</sub> e/Mt of production		8.39

**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	Increased Renewable Energy Capacity	Installation of rooftop solar plants	Reduction in GHG emissions
2	Replacement of Diesel Forklifts	Diesel-operated forklifts replaced by battery-operated forklifts	Reduction in GHG emissions
3	Installation of Variable Frequency Drives (VFD)	Provision of VFD to control motor Rotations per Minute (RPM) in mixing area, regulate speed of supply pumps, cooling tower fans, and various other equipment	Reduction in energy consumption
4	Lighting and Street Light Automation	Install photo sensors for streetlights and timers to reduce use during daytime	Reduction in energy consumption

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
5	Chiller and Pump Optimisation	Common drain tank and optimised chiller usage for water cooling, installation of level sensors, and replacement of high-head pumps with efficient ones	Reduction in energy consumption
6	Water reuse optimisation	Collection and use of curing trench water, by implementing rainwater harvesting system	Reduction in water consumption
7	Sewage Treatment Plant (STP) Capacity Increase	Use of society STP treated water to meet plant water requirements	Reduction in freshwater consumption
8	Waste Reduction	High polythene consumption managed by stopping new poly usage and reusing old liners	Reduction in waste generated
9	Waste Reduction	Salvaged useful steel from discarded moulds to manufacture machine parts in-house	Reduction in waste generated

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

Our manufacturing units have comprehensive business continuity and disaster management plans, complete with regular mock drills. We understand the critical need for uninterrupted operations, even during unexpected challenges. Through frequent business impact assessments (BIA), we pinpoint potential threats such as natural disasters, supply chain issues, hazards, and public health crises. We are dedicated to deploying effective mitigation strategies to reduce these risks. Leadership closely monitors and reviews compliance issues periodically.

We maintain detailed business continuity plans, aligning with National Disaster Management Authority Guidelines, to ensure preparedness and effective responses to various scenarios.

Collaborating with our suppliers, we identify vulnerabilities and strengthen our supply chain resilience, ensuring all key vendor dependencies have backups. To protect our data and IT systems, we perform regular risk assessments and audits on cybersecurity, both internally and through independent experts/agencies. Refer our [Business Continuity Policy](#) for further details.

**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 emphasise our value chain partners to adopt ISO 14001:2015 i.e. Environmental Management Systems (EMS) to strengthen their environmental practices.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Under the supplier engagement programs, we have assessed certain high value raw material and packaging material suppliers based on their response to Declaration Forms. Sustainable sourcing, aligning with our commitment to integrate sustainability through sustainable procurement policy and natural rubber procurement policy.

**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 a diverse range of audiences in Tires market. We focus on public policy advocacy, raising awareness, mobilising our workforce, and garnering stakeholder support. Upholding ethical practices, we emphasize gender equality and inclusivity while utilising 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 engage proactively with various trade and industry chambers and associations to sustain relationships and tackle common issues impacting businesses and communities. Currently, we are affiliated with 11 prominent trade and industry organisations, facilitating the exchange of knowledge and spearheading positive changes in the agricultural sector. These partnerships provide us with significant opportunities to contribute to industry advancement and development. Our involvement in these collaborations underscores our commitment to promoting sustainable practices and making a meaningful impact in the communities we serve.



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- 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 Organisation (FIEO)	National
5	IMA Chief Human Resource Officer Forum (CHRO)	National
6	The European Tire and Rim Technical Organisation (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	Global Platform for Sustainable Natural Rubber	International
11	Tire and Rubber Association of Canada (TRAC)	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.

Globalisation and technological progress have led to rapid economic growth, but the resultant 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 2022-23 (In INR)
Not Applicable						

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

We have established a [Grievance Redressal Mechanism](#) to support our stakeholders, including the local community. Our commitment to community development is demonstrated through our continuous engagement and collaboration with local residents. Further, if we come across any grievances during the engagement, we take appropriate measures to address the same. Community members are encouraged to reach out to the plant administration for any further communication or assistance.



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

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs / small producers	9%	4%
Directly from within India	59%	46%

**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 2024-25	FY 2023-24
Rural Semi	13.57	14.12
Semi-urban	12.23	12.75
Urban	45.77	44.99
Metropolitan	28.43	28.14

(Places are categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

- Numbers mentioned above are specific to India geography.
- Classification is based on the RBI Guidelines and Census 2011. As per the latest census all urban would be classified as Metropolitan based on the population index.

**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)	Benefit shared (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 marginalised groups
1	Bhuj Gujarat (Community Center) Contribution for construction of a community centre for the Ahir community in Padhar village used for group marriages and social gatherings benefiting 80% of local population	25,000	100%
2	Vadvara Ahir Samajwadi Boundary wall, Bhuj-Gujarat, for construction a Boundary Wall for Ahir Community in Kandherai Village used for group marriages and social gatherings benefiting directly to 175 residents of Vadvara, with an additional 5000 people from surrounding villages.	5,000	100%
3	Bhuj Gujarat (Various Projects) Various projects in the area towards education, health and infrastructure support for the benefits of Bhuj and nearby villages.	368,070	66%



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S. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalised groups
4	Nirvanavan Foundation, New Delhi Contribution towards Education Initiatives	350	0%
5	Sapna, New Delhi Supporting for construction work in school of Sapna Shiksshalaya, primary section, ground floor at village Bala Dehra Dist Alwar -301023 Rajasthan.	307	0%
6	Manav Jyot Gujarat Contribution for construct of one room at Vadilo no Visamo old age home.	2	100%
7	Panna Narendra Dalal Charitable Trust, Mumbai Contribution for food to needy in Borivali, Mumbai as trust distribute more than 200 food packets on daily basis.	200	100%
8	Tata Memorial Hospital, Mumbai Providing CT Scan (CT Dual Energy Scanner)- Artificial Intelligence Based Platform Revolution Maxima for carrying out diagnostic CT scans and CT-Guided biopsy, Annually 1-1.50 Lakh patients need CT scans.	150,000	NA
9	The Akshyapatra Foundation, Bangalore For Bhuj Kitchen - Pedestal Fan, Movable aluminium section, 3Hp mudpump, Vehicle washing Pump, MS lockers, SS laddle, CCTV camera, UPS backup, SS stool, pulverizer Machine, Magnet grill, Motor for rice cleaning machine, Motor for roti machine, motor for sukhadi machine, Celling Fan, Vegetable washing machine, Air curtains, TPM oil tester and others.	50,000	70%
10	The Akshyapatra Foundation, Bangalore Partnering for serving Midday meals to 30,000 children in various school at Bhuj (Gujarat)	30,000	70%
11	Utkarsh Global Foundation, Mumbai Contribution for drinking water for 15 days to Mahamadpur Village district of Chatrapati Sambhaji Nagar, Maharashtra under drought relief project to support to communities and stray animal around 400 lives. Additionally, 6 vehicles (CNG2 & Diesel 4) were provided.	400	100%
12	Bhiwadi Miscellaneous Expenses in the area of education and rural development at Bhiwadi and Chopanki	Not Available	NA
13	Rotary Club of Thane Lake City Charity Trust, Thane Contribution for construction of additional classroom, renovation of kitchen, toilets and wash station in School building at Awale Village, Sahapur Taluka, Thane for 200 children	200	NA
14	Kushtarog Niwaran Samiti, Raigad Providing Cupboard to Deharang Village Zilla Parishad School, Raigad District.	Not Available	NA
15	Shirodkar Hospital Trust at Asian Institute of Medical Sciences (AIMS), Thane Providing Misso Robotic surgical equipment system for treatment of patients.	100	NA
16	Sri Chaitanya Educational Trust, Mumbai For upgradation of lift of the school building at Gopal Garden High School, Borivali (East), Mumbai -400066	Not Available	100%
17	Deepsikha, Mumbai Contribution for free meals to Cancer patients and their family members approx. 2800 at Arogya Bhawan in Vashi, Navi Mumbai- Maharashtra	2,800	100%
18	Have A Heart Foundation, Mumbai Contribution for sponsoring surgeries and post operative care to under privileged children upto 18 years having vascular conditions such as coil closures which require ballooning or stenting, intra cardiac repairs, closure of Ventricular spetal defect and bidirectional glemmshuntar	Not Available	NA
19	Sound Space Foundation, Mumbai Music class for children from under privileged background.	Not Available	NA
20	Shreyas Medicare, Vapi Providing financial support for acquisition of Fully Motorised ICU Bed with all accessories (08), Multi Para Monitor (8), ECG Machine (1), Defibrillator Machine (1), Central Monitor for 8 Bed (1), Syringe Pump (8), Volumetric pump (2), Fluid Body warmer (1) and Infrastructure including civil work, Furniture-Fixtures & Medical gas line.	80	NA

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalised groups
21	Sai Hospital, Dombivli (Thane) Mindary Make Consona N7 Color Doppler Machine with accessories and 4 nos ICU Ventilator Machine, Model- Optima Plus.	350	NA
22	Vertex Multi-speciality Hospital, Kalyan Mindary make DC-60 EXP X-Insight Color Doppler Machine with accessories and 4 nos Briovent Ventilators for adult and paid application.	1,250	NA
23	Primary Health Center, Kachigam, Daman Provided Biochemistry and Haematology machines for diagnostics to provides faster results in continuum of patient care.	54,463	NA
24	Parkinsons Disease and Movement Disorder Society, Mumbai Contributed to corpus of the foundation, the income will be used for multidisciplinary rehabilitation for around 80 PwP's and their caregivers from Vasai, medication for 10 patients and improved quality of life for more than 150 senior citizens.	160	100%
25	Tata Memorial Hospital, Mumbai, For providing complete financial adoption for cancer treatment for 10 children coming across India and belonging to poor socio-economic strata of the society.	10	100%
26	KEM Hospital, Mumbai, For providing a Sports Injury Centre.	Not Available	--

Note: NA – Not Applicable

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

We advocate for responsible consumer engagement, emphasising 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 prioritising 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 an organisation, we prioritise customer satisfaction. We value all customer feedback and have established multiple channels for customers to communicate with us. To meet their expectations and provide satisfactory resolutions to their queries, we have developed a robust customer feedback management process. This process has evolved over the years to ensure the proper registration of customer / consumer grievances and their timely resolution.

Customers can communicate with the Company through various communication channels, including our grievance portal, emails, and phone calls. Once received, customer feedback is directed to our specialised Techno-Commercial team, which is responsible for providing appropriate and timely resolutions. Additionally, we conduct customer assessment surveys to continually enhance our product quality and overall 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%



## Directors' Report & Management Discussion and Analysis

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

	FY 2024-25		Remarks	FY 2023-24		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*	12,791	995	*	10,040	1,817	*

\* 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	0	NA
Forced recalls	0	NA

### 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 have established a robust framework and comprehensive [Cybersecurity and Data Privacy Policy](#) to effectively manage risks associated with cybersecurity and data privacy. Protecting business information and ensuring the privacy of our stakeholders are among our highest priorities. Our policy outlines strict measures and guidelines for the handling, storage, and transmission of data within our organisation. By implementing proactive strategies, we demonstrate our dedication to safeguarding sensitive information and maintaining the trust and confidence of our stakeholders.

### 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. There is no adverse action taken by any authority till date.

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

#### a. Number of instances of data breaches

01

#### b. Percentage of data breaches involving personally identifiable information of consumers

0%

#### c. Impact if any of the breaches

A Cyber incident occurred in July 2024 due to which a few of our systems were inaccessible. We detected this incident and worked with cyber security specialists to remediate the situation. No material data loss has been evident as we were able to activate our business continuity plan in a timely manner. Incidence had been reported to CERT-In.

## 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 - <https://www.bkt-tires.com/ww/us/> . Additionally, we actively host and attend numerous events to promote awareness of our offerings. For further inquiries about our products and services, stakeholders are welcome to contact us through multiple communication channels.

### 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

We make certain that each product is provided with safety guidelines that meet various standards, such as those set by the European Tyre and Rim Technical Organisation (ETRTO). In addition, we offer our customers Standard Operating Procedures



(SOPs) to promote the safe and responsible use of tires. Through regular educational events, we inform our customers about the proper and safe use of our products. Our mission is to foster awareness and ensure that our customers fully grasp the importance of safe and responsible product handling.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Although we do not deal with any essential services, the Company has established comprehensive mechanisms to notify stakeholders in the event of any service disruption or discontinuation. These notifications will be disseminated through various channels, including our website, emails, telephone, and distributor networks. Additionally, our [Business Continuity Policy](#) encompasses these communication strategies to ensure all stakeholders are promptly informed.

**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 regularly conduct customer satisfaction surveys, and the results are presented during management review meetings. These surveys are part of our quality management checks. Additionally, interactions with customers at various forums serve as valuable sources of feedback.

X-X-X-X

# BALKRISHNA INDUSTRIES LIMITED



for  
Reporting Period:  
01<sup>st</sup> April 2024 – 31<sup>st</sup> March 2025



## **Bureau Veritas (India) Private Limited**

EcoCenter, EM Block 16th Floor, Unit 1601/2 Bidhan Nagar, Sector V,  
Salt Lake, Kolkata, West Bengal 700091



## Independent Assurance Statement

### Introduction and Objective of Work

BUREAU VERITAS has been engaged by the Balkrishna Industries Limited (hereinafter referred to as “BKT” or the “Company”) to conduct an independent and reasonable assurance of its Business Responsibility and Sustainability Reporting (hereinafter abbreviated as “BRSR” or “Report”) for the reporting period from 01.04.2024 to 31.03.2025, based on BRSR & BRSR Core Parameters.

The verification of the BRSR including BRSR Core parameters adopted by BKT under respective plants & Corporate Office and the review of documents and disclosures were conducted at all the Plants of BKT including the Corporate Office as a part of the BRSR assurance.

The **reporting boundaries** considered for this reporting period are as follows:

#### A. Corporate Office:

BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013 (Maharashtra)

#### B. Manufacturing Plants:

##### Gujarat:

- Bhuj Bhachau Road, S.H.No.42, Village Padhdhar, Taluka Bhuj 370 105, District – Kutch (Gujarat): **Tyre, Carbon Black & Mould Manufacturing**

##### Rajasthan:

- SP-923, RIICO Industrial Area, Phase-III, P.O. Bhiwadi 301 019, District- Khairthal- Tijara (Rajasthan): **Tyre Manufacturing**
- A-300-305 & E-306-313 RIICO Industrial Area, Chopanki P.O. Bhiwadi 301 707, District – Khairthal- Tijara (Rajasthan): **Tyre Manufacturing**
- Village Soda Mada, Tehsil: Fatehgarh 345 027, District – Jaisalmer (Rajasthan): **Wind farm**

##### Maharashtra:

- F 19/20, Gut no 62, 65, 66, MIDC, Village: Wadgaon Kolhati, Waluj, Chhatrapati Sambhaji Nagar-431 136 (Maharashtra): **Tyre Manufacturing**
- B-66, Waluj MIDC, Waluj Industrial Area, Waluj, Chhatrapati Sambhaji Nagar 431 136 (Maharashtra): **Tyre Manufacturing**
- C-21, M.I.D.C, Phase No. I, Dombivili (E) 421 203, District – Thane (Maharashtra): **Mould Manufacturing**
- Plot No. TS- 1, MIDC Phase II, opposite to Don Bosco School Manpada Road, Sagaon, Dombivili (E) 421204 (Maharashtra): **Drum Manufacturing**

The selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, preparation, and presentation of information for the report are the sole responsibility of the management of BKT. Bureau Veritas was not involved in the drafting or preparation of the back-up data of the said BRSR report. The responsibility of BV was to provide independent assurance, as described in the scope of assurance.

### Intended User

The assurance statement is made solely for “Balkrishna Industries Limited” 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 the conclusions stated in the paragraph below.

## Independent Assurance Statement



### Assurance Type and Scope

Bureau Veritas conducted assurance on BRSR including Core parameters in accordance with the “Type 2 High” as per Accountability Assurance Standard (AA1000 AS) version 3, which is equivalent to “reasonable” assurance as defined in ‘International Standards 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 ensuring that the information in the report meets key principles of relevance, completeness, materiality, reliability, neutrality, and understandability.

The scope of the engagement, as agreed with BKT, included the review and verification of policies, practices, initiatives, and performance presented in the report. It also involved assessing the underlying management and reporting processes in line with the BRSR & BRSR Core Parameters and evaluating the report’s adherence to the “in accordance” criteria of these parameters. Furthermore, the verification covered standard disclosures listed in the BRSR & BRSR Core Annexure to ensure transparency and accountability in Business Responsibility and Sustainability Reporting (BRSR & BRSR Core) reporting.

### Scope And Boundary of Assurance

Assurance has been provided for selected BRSR & BRSR Core parameters presented in the BRSR Report. The reporting boundary covers data and information across BKT’s offices and Plants as mentioned above, in alignment with the Business Responsibility and Sustainability Reporting (BRSR & BRSR Core) Parameters of non-financial disclosures for the period from 1<sup>st</sup> April 2024, to 31<sup>st</sup> March 2025, based on the BRSR including BRSR Core Parameters. The assurance process included the verification of sample data and information on selected BRSR Including Core Parameters from all the Plants including Corporate Office.

The Scope of Assurance for BRSR Indicators based on BRSR including BRSR Core Parameters includes:

- An assessment of the procedures or approaches followed for data compilation and reporting of non-financial disclosures of BRSR including Core parameters for the above-mentioned locations.
- Testing, on a sample basis, of evidence supporting the data disclosed.
- Verification of the sample data evidence and information on selected BRSR including BRSR Core Parameters reported at the above-mentioned operations for the defined reporting period.
- Assessment of the suitability between the backup data for the selected BRSR including Core parameters of non-financial disclosures and the information presented in BRSR Report.
- Completion of assurance statement for inclusion in the report reflecting the verification, findings, and conclusion of the disclosure’s assurance.

List of BRSR including BRSR Core Parameters verified for the units under the reporting boundary include, but not limited to:

- Employee details
- Training details
- Turnover rate for employees and workers
- CSR details
- Value Chain assessment details
- Environmental monitoring parameters including water, Scope 1 and 2, air emissions, different category of waste, etc.
- All the parameters in BRSR core



## Independent Assurance Statement

**The Methodology Adopted for Assurance**

The Bureau Veritas BRSR assurance process involves specified procedures to obtain evidence regarding the reliability of the data provided by the entity. The nature, timing, and extent of these procedures depend on the data and evidence presented, including the verification of risks associated with the selected BRSR disclosures and their relevance. While assessing these risks, the internal strategy is considered during report preparation to design the assurance procedures and validate their appropriateness to the fullest extent possible.

As per the scope of assurance, sample evidence, information, and explanations necessary for the assurance process were reviewed. Based on this, the following assessments were conducted:

- Ensuring that the report is prepared in accordance with the Business Responsibility and Sustainability Reporting (BRSR & BRSR Core) parameters, based on the Business Responsibility and Sustainability Reporting (BRSR & BRSR Core Parameters), applicable to the operations of BKT.
- Evaluating the appropriateness of various assumptions applied by BKT for data estimation.
- Reviewing the report to ensure there is no misrepresentation of disclosures within the defined assurance scope.
- Assessing the systems used for data compilation and reporting based on Universal Disclosures and Topic-Specific Disclosures of material topics outlined in the assurance scope.
- Verifying the systems and procedures for quantification, collation, and analysis of BRSR including BRSR Core parameters included in the report.
- Examining month-wise data for consistency, reliability, and accuracy.
- Validating selects key performance data based on information from plants, including corporate office:
  - Testing data reliability and accuracy on a sample basis.
  - Assessing the stakeholder engagement process and approach to addressing key topics and concerns as defined in the report.
  - Conducting a reasonable review of the materiality assessment process based on the information provided for the respective plants.
  - Reviewing processes for data collection, compilation, and reporting of BRSR & BRSR Core parameters of non-financial performance disclosures.
  - Classifying observations and findings, followed by the issuance of the Assurance Statement.

Sample data were collected to support Bureau Veritas' conclusions regarding the verified information and data. The assurance process was conducted based on the details available during the review of the all the Plants and Corporate office.

**Limitations and Exclusions**

The assurance is reasonable to the above-mentioned scope of work and excludes the information relating to:

- Data related to the BKT's financial performance disclosures.
- Activities and practices followed outside the defined assurance period stated hereinabove.

## Independent Assurance Statement



- Positional statements, expressions of opinion, belief, aim, or future intention by “BKT” and statements of future commitment and any of the statements related to organizational aspects or reputation.
- The assurance does not extend to the activities and operations of “BKT” outside of the scope and geographical boundaries mentioned in the report as well as the operations undertaken by any other entity that may be associated with or have a business relationship with “BKT”.
- Compliance with any Environmental, Social, and legal issues related to the regulatory authority.

### Alignment with AA1000 Principles

Inclusivity	BKT actively engages with its key stakeholders, including socially responsible investors, value chain partners, government officials, and local community representatives. The company has implemented structured stakeholder engagement processes and regularly undertakes related activities. Additionally, BKT is committed to supporting the local community through various Corporate Social Responsibility (CSR) initiatives.
Materiality	The BRSR Report covers the key environmental, social, and economic issues that BKT has identified as most material. These issues were determined through a comprehensive process of stakeholder engagement and dialogue. The materiality assessment took into account both internal evaluations of business risks and opportunities, as well as the perspectives and concerns of stakeholders.
Responsiveness	BKT is actively addressing the issues it has identified as material, reflecting its commitment through relevant policies, objectives, performance indicators, and targets. The company has undertaken several initiatives aimed at providing environmentally responsible services, while also prioritizing occupational health and safety. Additionally, it has implemented appropriate measures for emergency preparedness, control mechanisms, and risk management across its operations.
Impact	Our assessment found no evidence that BKT has failed to monitor, measure, or take accountability for its actions concerning its identified material topics. The company demonstrates a consistent approach to tracking and managing its performance in these areas.

### Our Findings

- Nothing has come to our attention to indicate that the non- financial disclosure in the BRSR Report based on BRSR & BRSR Core Parameter are inaccurate or that the information included therein is not fairly stated.
- It is our opinion that BKT has established appropriate systems for the collection, aggregation, and analysis of data on Non-Financial performance disclosures.
- The BRSR disclosure in the BRSR Report provides a fair representation of the BKT’s activities as included therein.
- The information is presented in a clear, understandable, and accessible manner, and allows readers to form a balanced opinion over the BKT and status during the reporting period.

## Independent Assurance Statement

**Management Responsibilities**

BKT is completely responsible for the report contents, identification of material topics, and data reporting structure. The selection of reporting criteria, reporting period, reporting boundary, monitoring, and measurement of data, preparation, and presentation of information for the report are the sole responsibility of the management of "BKT". Bureau Veritas (BV) was not involved in the drafting or preparation of the report and any other backup data for the reporting period. The responsibility of BV was to conduct independent assurance for the BRSR including BRSR core performance of non-financial disclosures as described in the scope of assurance.

The said assessment is properly based on the assumption that the data and information provided in the report are proper and without any discrepancy. Bureau Veritas shall not be held liable or responsible for any type of decision a person or entity would make based on this assurance statement. While reading the assurance statement, stakeholders shall recognize and accept the limitations and scope as mentioned above.

**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 196 years of 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 have been no conflict of interest.

**Competence**

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 BRSR Report.

**Restriction on use of Our Report**

Our assurance report has been prepared and addressed to the Board of Directors of the BKT at the request of the BKT solely to assist the BKT in reporting on the BKT's BRSR including core performance and activities. Accordingly, we accept no liability to anyone, other than the BKT. 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.

**Shankha Suvra**  
Lead Assurer

**Date: 21/05/2025**  
**Place: Kolkata, India**



**Munji Rama Mohan Rao**  
Technical Reviewer

**Date: 21/05/2025**

# 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 optimisation of performance.

While corporate governance extends beyond corporate law, its primary objective is not solely to meet legal requirements. It emphasises the commitment of the Board of directors to manage the Company in a transparent manner, incorporating ethics to maximise 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 behaviour 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, 2025, 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.
- ii. None of the Directors on the Board holds Directorships in more than seven listed entities during the year 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025. 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 FY 2024-25 the Board of Directors met five times i.e. 17<sup>th</sup> May, 2024, 9<sup>th</sup> August, 2024, 25<sup>th</sup> October, 2024, 25<sup>th</sup> January, 2025 and 22<sup>nd</sup> March, 2025. 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 FY 2024-25 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, 2025 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 Directors	Category of Directors	Board meetings attended during the year	Whether attended last Annual General Meeting	Number of Directorships held in other public companies as on 31 <sup>st</sup> March, 2025	No. of Committee positions held in other public companies as on 31 <sup>st</sup> March, 2025	
					Membership	Chairperson
Mr. Arvind Poddar DIN: 00089984	Chairman & Managing Director	5/5	Present	-	-	-
Mr. Rajiv Poddar DIN: 00160758	Joint Managing Director	5/5	Present	-	-	-
Mrs. Vijaylaxmi Poddar DIN: 00160484	Non-Executive Director Non-Independent Director	4/5	Present	-	-	-
Mr. Vipul Shah DIN: 05199526	Company Secretary & Whole Time Director	5/5	Present	-	-	-
Mr. Pannkaj Ghadiali DIN: 00003462	Non-Executive Independent Director	5/5	Present	2	-	3
Mrs. Shruti Shah DIN: 08337714	Non-Executive Independent Director	5/5	Present	5	4	1
Mr. Laxmidas Merchant DIN: 00007722	Non-Executive Independent Director	4/5	Present	1	-	1
Mr. Rahul Dutt DIN: 08872616	Non-Executive Independent Director	4/5	Present	6	6	-

Name of the Director	Directorship in Other Listed Entity and Category of Directorship	
	Names of the Listed Entities	Category of Directorship
Mr. Pannkaj Ghadiali	• Goldiam International Limited	• Non-Executive Independent Director
Mrs. Shruti Shah	• Kalyani Steels Limited • Kalyani Investment Company Limited • Jai Corp Limited • Sanghi Industries Limited • Ajmera Realty & Infra India Limited	• Non-Executive Independent Director • Non-Executive Independent Director • Non-Executive Independent Director • Non-Executive Independent Director • Non-Executive Independent Director
Mr. Laxmidas Merchant	-	-





## Corporate Governance Report

Name of the Director	Directorship in Other Listed Entity and Category of Directorship	
	Names of the Listed Entities	Category of Directorship
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>	<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> </ul>

- 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 FY 2024-25.

### 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, 2025:

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. Familiarisation 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://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 FY 2024-25 was held on 22<sup>nd</sup> March, 2025 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.

### 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;



## Corporate Governance Report

3. To evaluate internal financial controls and risk management systems;
4. 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 FY 2024-25. The meetings were held on 17<sup>th</sup> May, 2024, 9<sup>th</sup> August, 2024, 25<sup>th</sup> October, 2024 and 25<sup>th</sup> January, 2025. 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. Rahul Dutt	Non - Executive Independent Director	Member	3/4
Mr. Laxmidas Merchant	Non - Executive Independent Director	Member	3/4

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. Laxmidas Merchant are Chartered Accountants. The Director & Company Secretary, Mr. Vipul Shah, acts as the Secretary of the Committee. Senior President and Director (Commercial) and CFO, Head of Accounts, Deputy CFO, General Manager (Audit), Statutory Auditors and the Internal Auditors of the Company are permanent invitees to the Audit Committee Meetings.

Mr. Pannkaj Ghadiali, Chairman of the Audit committee, attended the Annual General Meeting of the Company held on 19<sup>th</sup> July, 2024.

## 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 committee met two times during the FY 2024-25. The meetings were held on 17<sup>th</sup> May, 2024 and 22<sup>nd</sup> March, 2025.

### 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	2/2
Mrs. Shruti Shah	Non - Executive Independent Director	Member	2/2
Mr. Rahul Dutt	Non - Executive Independent Director	Member	2/2
Mr. Laxmidas Merchant	Non - Executive Independent Director	Member	1/2

Mr. Pannkaj Ghadiali, the Chairman of the Nomination and Remuneration Committee, attended the Annual General Meeting of the Company held on 19<sup>th</sup> July, 2024.

### 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 FY 2024-25 was held on 22<sup>nd</sup> March, 2025.

The performance of the Independent Directors was evaluated by the entire Board except the person being evaluated in their meeting held on 22<sup>nd</sup> March, 2025. 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 Crores)	Terms of Appointment
Mrs. Vijaylaxmi Poddar	0.06	Retire by Rotation
Mr. Pannkaj Ghadiali	0.15	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	0.15	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. Laxmidas Merchant	0.08	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	0.09	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>0.53</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.



## Corporate Governance Report

The details of the remuneration of Directors for the year ended 31<sup>st</sup> March, 2025 are given below:

(₹ In Crores)

Name of the Director	Salary	Perquisites & allowances <sup>#</sup>	Commission	Total	Service Contract
Mr. Arvind Poddar	3.00	2.54	42.00	47.54	1 <sup>st</sup> August, 2021 to 31 <sup>st</sup> July, 2026
Mr. Rajiv Poddar	2.40	2.02	42.00	46.42	22 <sup>nd</sup> January, 2024 to 21 <sup>st</sup> January, 2029
Mr. Vipul Shah	0.41	0.57	-	0.98	11 <sup>th</sup> February, 2022 to 10 <sup>th</sup> February, 2027
<b>TOTAL</b>	<b>5.81</b>	<b>5.13</b>	<b>84.00</b>	<b>94.94</b>	

<sup>#</sup> 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 FY 2024-25. The meetings were held on 16<sup>th</sup> May, 2024, 8<sup>th</sup> August, 2024, 25<sup>th</sup> October, 2024 and 24<sup>th</sup> January, 2025.

#### 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. Vipul Shah	Director & Company Secretary	Member	4/4

Mr. Pannkaj Ghadiali, the Chairman of the Stakeholders' Relationship Committee, attended the Annual General Meeting of the Company held on 19<sup>th</sup> July, 2024.

During the year, 19 complaints were received out of which six were pending and others were resolved within stipulated time. Subsequent to year end, the Company has resolved pending investors' complaints / grievances which were pending as at close of the year.

As at 31<sup>st</sup> March 2025, 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 emphasises 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 FY 2024-25. The meetings were held on 16<sup>th</sup> May, 2024, 9<sup>th</sup> August, 2024, 25<sup>th</sup> October, 2024 and 24<sup>th</sup> January, 2025.

#### 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;

1. To frame Business Responsibility & Sustainability Reporting Policies and its review from time to time;
2. To ensure Business Responsibility & Sustainability Report is prepared as required by Regulation 34(2)(f) of the Listing Regulations;
3. To ensure effective implementation and monitoring of Business Responsibility & Sustainability Reporting activities.

The committee met once during the FY 2024-25. The meetings were held on 17<sup>th</sup> May, 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	1/1
Mr. Arvind Poddar	Chairman & Managing Director	Member	1/1
Mr. Rajiv Poddar	Joint Managing Director	Member	1/1

#### c. FINANCE COMMITTEE:

The terms of reference of Finance Committee, inter alia consists;

1. To do all acts, deeds related to Forex Related Transactions of the Company (including Derivative Transaction);
2. 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;
3. 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;
4. To invest the surplus funds of the Company as and when available.

The committee met seven times during the FY 2024-25. The meetings were held on 3<sup>rd</sup> April, 2024, 25<sup>th</sup> April, 2024, 27<sup>th</sup> May, 2024, 12<sup>th</sup> July, 2024, 15<sup>th</sup> January, 2025, 1<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2025.



## Corporate Governance Report

### 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 & Director (Commercial) and Chief Financial Officer is the permanent invitee to the meeting.

#### d. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee has been constituted in compliance with Regulation 21 of Listing Regulations. 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 22<sup>nd</sup> March, 2025, 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 FY 2024-25. The meetings were held on 1<sup>st</sup> October, 2024 and 22<sup>nd</sup> March, 2025.

### 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 & Director (Commercial) and Chief Financial Officer
3	Mr. Satish Sharma	Sr. President & Director – Business Development & Strategy
4	Mr. Vipul Shah	Director & Company Secretary
5	Mr. Sudhir Mishra	Head – Human Resources
6	Mr. Ravi Joshi	Deputy Chief Financial Officer
7	Mr. Sushil Mishra	Head- Accounts

## 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
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
2023-2024 62 <sup>nd</sup> AGM	Meeting was conducted through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	19 <sup>th</sup> July, 2024	11.00 AM	No 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, no special resolution was passed through postal ballot by the Company.

### c. Details of special resolution proposed to be conducted through postal ballot:

There is no immediate proposal for passing any resolution through postal ballot.

## 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	Saturday, the 26 <sup>th</sup> July, 2025
Time	10:30 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, 2025
2	Second Quarter & Half Yearly Results	On or before 14 <sup>th</sup> November, 2025
3	Third Quarter & Nine-months Results	On or before 14 <sup>th</sup> February, 2026
4	Fourth Quarter & Annual Results	On or before 30 <sup>th</sup> May, 2026

### 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	30 <sup>th</sup> August, 2024	4/-
2 <sup>nd</sup> Interim Dividend	11 <sup>th</sup> November, 2024	4/-
3 <sup>rd</sup> Interim Dividend	7 <sup>th</sup> February, 2025	4/-



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The Board of Directors at their Meeting held on 23<sup>rd</sup> May, 2025 has recommended final dividend of ₹ 4/- per equity share for FY 2024-25, subject to the approval from Shareholders. The dividend if declared at the Annual General Meeting shall be paid after 26<sup>th</sup> July, 2025 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., 12<sup>th</sup> July, 2025, and in respect of the shares held in dematerialised 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, 2025 and due date of transfer is as follows:

Dividend Details	Financial year ended	Date of Declaration	Due date of transfer
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
Final Dividend	2023-2024	19 <sup>th</sup> July, 2024	24 <sup>th</sup> August, 2031
1 <sup>st</sup> Interim Dividend	2024-2025	9 <sup>th</sup> August, 2024	13 <sup>th</sup> September, 2031
2 <sup>nd</sup> Interim Dividend	2024-2025	25 <sup>th</sup> October, 2024	30 <sup>th</sup> November, 2031
3 <sup>rd</sup> Interim Dividend	2024-2025	25 <sup>th</sup> January, 2025	2 <sup>nd</sup> March, 2032

\*Note: 3<sup>rd</sup> Interim Dividend 2017-18 was transferred to Investor Education and Protection Fund on March, 2025 and shares were transferred on April, 2025.

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.	Final Dividend 2016-17	22 <sup>nd</sup> October, 2024	*N.A.
2.	1 <sup>st</sup> Interim Dividend 2017-18	23 <sup>rd</sup> September, 2024	2 <sup>nd</sup> October, 2024
3.	2 <sup>nd</sup> Interim Dividend 2017-18	27 <sup>th</sup> December, 2024	8 <sup>th</sup> January, 2025
4.	3 <sup>rd</sup> Interim Dividend 2017-18	27 <sup>th</sup> March, 2025	17 <sup>th</sup> April, 2025

Note : \* There were no shares eligible to be transferred.

**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.

Mr. Amit Das, Assistant General Manager was appointed as Deputy Nodal Officer at the Board Meeting held on 25<sup>th</sup> January, 2025, to assist the Nodal Officer Mr. Vipul Shah for the purposes of verification of IEPF claim of shares and unclaimed dividends of shareholders transferred to IEPF.

**Contact Person:**

Mr. Ganesh Chandra Patro  
Assistant Vice President  
Contact Number: 040 – 6716 1630

**Mumbai address (for shareholder services):**

301, The Centrium, 3<sup>rd</sup> Floor, 57, Lal Bahadur Shastri Road, Navpada, Kurla (West), Mumbai - 400070, Maharashtra

**d. COMPANY'S SHARES ARE LISTED ON:**

**BSE Limited**

Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400 001

**National Stock Exchange of India Limited**

5<sup>th</sup> Floor, Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai 400 051

Annual listing fee as applicable for the year 2024-25 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited.

**e. IN CASE THE SECURITIES ARE SUSPENDED FROM TRADING, THE DIRECTORS REPORT SHALL EXPLAIN THE REASON THEREOF:**

Not Applicable

**f. 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: [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com)  
Website: [www.kfintech.com](http://www.kfintech.com)

**g. 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 dematerialised 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.





## Corporate Governance Report

### h. DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2025:

Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1 - 500	123822	97.96	3262145	1.69
501 - 1000	810	0.64	607287	0.31
1001 - 2000	523	0.42	770481	0.40
2001 - 3000	245	0.19	645229	0.33
3001 - 4000	138	0.11	488409	0.25
4001 - 5000	115	0.09	524887	0.27
5001 - 10000	265	0.21	1885825	0.98
10001 - Above	480	0.38	185132927	95.77
<b>TOTAL:</b>	<b>126398</b>	<b>100.00</b>	<b>193317190</b>	<b>100.00</b>

### Categories of Shareholding as on 31<sup>st</sup> March, 2025:

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	32110712	16.61
Financial Institutions/Banks	3000	0.00
Bodies Corporate	890879	0.46
Individuals	9844262	5.09
Any Other		
NRI's	552713	0.29
Trust	413864	0.22
Foreign Portfolio Investor	22146321	11.46
Clearing Members	107618	0.06
Alternative Investment Fund	159955	0.08
IEPF	470140	0.24
Qualified Institutional Buyer	13692165	7.08
H U F	232291	0.12
NBFCs Registered with RBI	3070	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. DEMATERIALISATION 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 dematerialise their shares with either of the depositories. As on 31<sup>st</sup> March, 2025, 99.83% of Company's shares were dematerialised.

### j. OUTSTANDING ADR'S / GDR'S / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

Not Applicable.

### k. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

Please refer to Directors' Report & Management Discussion and Analysis Report for the same.

**I. 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) Bhuj Bhachau Road, S.H.No.42, Village Padhdhar, Taluka Bhuj 370 105, Dist: Kutch (Gujarat)
<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)

**m. ADDRESS FOR CORRESPONDENCE: BALKRISHNA INDUSTRIES LIMITED:**

<b>Registered Office:</b>	B-66, MIDC, Waluj Industrial Area, Waluj, Chhatrapati Sambhaji Nagar-431136 (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>

**n. 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 MOBILISATION 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 FY 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>	CARE AA; Positive (Double A; Outlook: Positive)

The Company has made payment of Final Interest, 3<sup>rd</sup> and Final Redemption of Principal Amount of Unsecured, Redeemable, Non-Convertible Debentures (NCDs) on 25<sup>th</sup> April, 2025.

**o. 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)

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>.

**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 FY 2024-25 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

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.

## Corporate Governance Report

**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 victimisation 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 utilisation 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 recognises 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 Mr. 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 Crores
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	2.13
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>2.13</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 FY 2024-25	NIL
Number of complaints disposed of during the FY 2024-25	NIL
Number of complaints pending as on end of the FY 2024-25	NIL

**m. Annual Secretarial Compliance report:**

Company has obtained Annual Secretarial Compliance report from Mr. 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 dematerialised 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 2024-25 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: 23<sup>rd</sup> May, 2025



## Corporate Governance Report

### 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 31<sup>st</sup> March, 2025.

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

PLACE: Mumbai  
DATED: 23<sup>rd</sup> May, 2025

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

### 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, 2025 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**

PLACE: Mumbai  
DATED: 23<sup>rd</sup> May, 2025

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

**For Balkrishna Industries Limited**

**MADHUSUDAN BAJAJ**  
Sr. President & Director (Commercial) & 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, Chhatrapati Sambhajinagar 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, Chhatrapati Sambhajinagar 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, 2025 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 PANNKAJ CHIMANLAL GHADIALI	00003462	08/11/2017	--
6.	SMT. SHRUTI ANUP SHAH	08337714	08/02/2019	--
7.	SHRI LAXMIDAS VALLABHDAS MERCHANT	00007722	28/03/2024	--
8.	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.

Place: Navi Mumbai

Date: 10<sup>th</sup> May, 2025

**G.B.B. Babuji**

Practicing Company Secretary

FCS No.1182, CP No.8131

PR 1353/2021

UDIN F001182G000312548



# Corporate Governance Report

## 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

1. 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, 2025. 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

2. 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.
3. 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

4. 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.
5. 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.
6. 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.
7. 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:

- i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
- ii. 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;
- iii. Obtained and read the Register of Directors as on March 31, 2025 and verified that at least one independent woman director was on the Board of Directors throughout the year;
- iv. Obtained and read the minutes of the following committee meetings period from April 1, 2024 to March 31, 2025:
  - a. Board of Directors;
  - b. Audit Committee;
  - c. Annual General Meeting (AGM);
  - d. Nomination and Remuneration Committee;
  - e. Stakeholders Relationship Committee;
  - f. Risk Management Committee; and
  - g. Corporate Social Responsibility Committee Meeting.
- v. Obtained necessary declarations from the directors of the Company.

- vi. Obtained and read the policy adopted by the Company for related party transactions.
  - vii. 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.
  - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. 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

9. 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, 2025, referred to in paragraph 4 above.

### Other matters and restriction on use

10. 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.
11. 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: 25116279BMJBBC1752

Place: Mumbai

Date: 23<sup>rd</sup> May, 2025



# 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, 2025, 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, 2025, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Description of Key Audit Matters

The key audit matters
<b>1. Capitalisation of Property, Plant and Equipment</b>
During the year ended 31 <sup>st</sup> March, 2025, the Company has incurred significant capital expenditure. Further the total additions to property, plant and equipment at various locations of the Company was ₹ 1,337.73 Crores in the current year. 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.
As a result, the aforesaid matter was determined to be a key audit matter.
(Refer note no. 2 to the standalone financial statements.)

### 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 Auditors' 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.

How our audit addressed the matter
<b>Principal Audit Procedures</b>
Our audit procedures included the following substantive procedures:
<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 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><li>• 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.</li></ul>

**The key audit matters****2. Contingent Liabilities**

The Company is exposed to variety of different laws, regulations and interpretations thereof. Consequently, in the normal course of business, Provisions and Contingent Liabilities may arise from legal proceedings, constructive obligations and commercial claims.

- Management applies significant judgement when considering whether and how much to provide for the potential exposure of each matter.
- These estimates could change substantially over time as new facts emerge as each legal case or matters progresses.
- Given the different views possible, basis the interpretations, complexity and the magnitude of potential exposures and the judgement necessary to estimate the amount of provision required or determine required disclosures.

As a result, the aforesaid matter was determined to be a Key Audit Matter.

(Refer note no. 46(i) to the standalone financial statements.)

**3. Hedge Accounting**

We have identified above as Key Audit Matter as hedge accounting has resulted into significant impact on standalone financial statements coupled with complexity of its accounting, calculations and complex/ numerous assumptions taken for establishing hedge relationship. Mark to market gain/loss pertaining to these derivative contracts are recognised in other comprehensive income.

(Refer note no. 40 to the standalone financial statements.)

**How our audit addressed the matter****Principal Audit Procedures**

Our audit procedures included the following substantive procedures:

- We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Company's controls over the recording and reassessment of uncertain legal positions, claims and contingent liabilities.
- We held discussions with senior management including the person responsible for legal and compliance to obtain an understanding of the factors considered by management in classification of the matter as 'probable', 'possible' and 'remote'.
- Examined the Company's legal expenses on sample basis and read the minutes of the board meetings in order to ensure completeness.
- With respect to tax matters, involving our tax specialists, and discussing with the Company's tax officers, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws.
- Assessing the decisions and rationale for provisions held or for decisions not to record provisions or make disclosures.
- For those matters where management concluded that no provisions should be recorded, considering the adequacy and completeness of the Company's disclosures.

**Principal Audit Procedures**

Our audit procedures included the following substantive procedures:

- Obtained an understanding of management's controls over recording of derivative transactions and application of hedge accounting.
- Tested the accuracy and completeness of derivative transactions.
- We have relied on the valuation report evaluating the appropriateness of the valuation methodologies applied and tested on sample basis the valuation of the derivative financial instruments.
- Validated that the derivative financial instruments qualify for hedge accounting and tested accuracy of hedge effectiveness and ineffectiveness on sample basis.

**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 Auditors' 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,



## Independent Auditor's Report

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 Auditors' 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 scepticism 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 Auditors' 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 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, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2025 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 Auditors' 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, 2025 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



## Independent Auditor's Report

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. 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, 2025 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 and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For JAYANTILAL THAKKAR & CO.**  
CHARTERED ACCOUNTANTS  
(FIRM REG. NO. 104133W)

**VIRAL A. MERCHANT**  
PARTNER

MEMBERSHIP NO. 116279  
UDIN: 25116279BMJBBA6092

Place: Mumbai  
Dated: 23<sup>rd</sup> May, 2025

## Annexure - A to the Independent Auditor's 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, 2025, 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, 2025 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 ₹ 64.62 Crores.  
(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.

## Independent Auditor's Report

- (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, 2025 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 and Service Tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are given below: -

Name of Statute	Nature of Dues	Amount (₹ in Crores)	Period to which the Amount Relates	Forum where dispute is pending
Gujarat Value Added Tax Act, 2003	Value Added Tax	0.61	2011-2012	Tribunal
		2.98	2012-2015 & 2017-2018	Commissioner (Appeals)
Customs Act, 1962	Custom Duty	37.39	2012-2014	Supreme Court
		0.68	2012-2016	CESTAT
		9.10	2013-2016	High Court
Income Tax Act 1961	Income Tax	4.81	2015-16, 2018-2022	Commissioner (Appeals)
Central Excise Act 1944, Finance Act, 1994 & Goods and Service Tax Act, 2017	Excise Duty / Service tax/GST	42.67	2007-14, 2019-21	High Court
		17.69	2006-18	Supreme Court
		0.05	2018-20	TRIBUNAL
		26.35	2015-2021	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 wilful 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) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of Section 135(6) of the Act.

**For JAYANTILAL THAKKAR & CO.**  
CHARTERED ACCOUNTANTS  
(FIRM REG. NO. 104133W)

**VIRAL A. MERCHANT**  
PARTNER

MEMBERSHIP NO. 116279  
UDIN: 25116279BMJBBA6092

Place: Mumbai  
Dated: 23<sup>rd</sup> May, 2025

## Independent Auditor's Report

### ANNEXURE - B TO THE INDEPENDENT AUDITOR'S 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, 2025 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 Auditors' 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.

Place: Mumbai

Dated: 23<sup>rd</sup> May, 2025

## 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, 2025, 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: 25116279BMJBBA6092



# Standalone Balance Sheet

as at 31<sup>st</sup> March, 2025

(₹ in Crores)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>I ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	6,834.29	6,203.84
(b) Capital Work-in-Progress	2A	985.11	944.43
(c) Investment Property	3	61.24	64.25
(d) Intangible Assets	4	1.12	0.50
(e) Right-of-use assets	4A	16.75	15.36
(f) Financial Assets			
i) Investments	5	1,562.11	1,337.19
ii) Other Financial Assets	6	105.93	155.03
(g) Income tax Assets (Net)	7	20.79	14.73
(h) Other Non-Current Assets	8	452.95	276.71
<b>TOTAL NON-CURRENT ASSETS</b>		<b>10,040.29</b>	<b>9,012.04</b>
<b>2 CURRENT ASSETS</b>			
(a) Inventories	9	1,715.87	1,270.52
(b) Financial Assets			
i) Investments	10	1,702.78	1,348.99
ii) Trade Receivables	11	1,610.88	1,543.34
iii) Cash and Cash Equivalents	12	56.55	47.66
iv) Other Bank Balances	13	6.01	5.38
v) Loans	14	9.70	6.75
vi) Other Financial Assets	15	90.90	69.55
(c) Other Current Assets	16	326.66	300.73
<b>TOTAL CURRENT ASSETS</b>		<b>5,519.35</b>	<b>4,592.92</b>
<b>TOTAL ASSETS</b>		<b>15,559.64</b>	<b>13,604.96</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Share Capital	17	38.66	38.66
(b) Other Equity	18	10,345.17	8,823.23
<b>TOTAL EQUITY</b>		<b>10,383.83</b>	<b>8,861.89</b>
<b>LIABILITIES</b>			
<b>1 NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
i) Borrowings	19	387.30	691.44
ii) Lease Liabilities	19A	1.28	-
iii) Other Financial Liabilities	20	20.95	15.92
(b) Provisions	21	43.23	30.28
(c) Deferred Tax Liabilities (Net)	22	456.95	349.36
(d) Other Non-Current Liabilities	23	102.94	75.19
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,012.65</b>	<b>1,162.19</b>
<b>2 CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
i) Borrowings	24	2,825.06	2,345.45
ii) Lease Liabilities	24A	0.35	-
iii) Trade Payable			
Total outstanding due of Micro and Small Enterprise	25	29.34	20.93
Total outstanding due of creditors Other than Micro and Small Enterprise	25	716.16	769.62
iv) Other Financial Liabilities	26	301.98	258.30
(b) Other Current Liabilities	27	285.20	182.15
(c) Provisions	28	5.07	4.43
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,163.16</b>	<b>3,580.88</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15,559.64</b>	<b>13,604.96</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

As per our report of even date attached

For and on behalf of the Board of Directors

**For JAYANTILAL THAKKAR & CO.**  
Chartered Accountants  
(Firm Reg. no. 104133W)

**ARVIND PODDAR**  
Chairman & Managing Director

**RAJIV PODDAR**  
Joint Managing Director

**VIRAL A. MERCHANT**  
Partner  
Membership No.116279

**VIPUL SHAH**  
Director & Company Secretary

**MADHUSUDAN BAJAJ**  
Sr. President & Director (Commercial) and CFO

Place: Mumbai  
Dated: 23<sup>rd</sup> May, 2025

Place: Mumbai  
Dated: 23<sup>rd</sup> May, 2025

# Standalone Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2025

(₹ in Crores)

Particulars	Note No.	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>I Revenue From Operations</b>	29	10,412.88	9,298.70
<b>II Other Income</b>	30	534.55	447.74
<b>III Total Income (I+II)</b>		<b>10,947.43</b>	<b>9,746.44</b>
<b>IV Expenses:</b>			
Cost of Materials Consumed	31	4,985.31	4,404.45
Purchases of Stock-in-Trade	32	133.34	116.83
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	33	(55.54)	(46.89)
Employee Benefits Expense	34	493.55	441.25
Finance Cost	35	125.21	108.93
Depreciation and Amortisation Expense	36	673.53	643.78
Other Expenses	37	2,435.74	2,179.02
<b>Total Expenses</b>		<b>8,791.14</b>	<b>7,847.37</b>
<b>V Profit Before Tax (III-IV)</b>		<b>2,156.29</b>	<b>1,899.07</b>
<b>VI Tax Expenses</b>			
Current tax		472.83	402.00
Deferred tax		55.09	59.48
<b>Total Tax Expenses</b>		<b>527.92</b>	<b>461.48</b>
<b>VII Profit After Tax (V-VI)</b>		<b>1,628.37</b>	<b>1,437.59</b>
<b>VIII Other Comprehensive Income</b>			
1 Items that will not be reclassified to profit or loss:			
i) Remeasurements of Defined Benefit Plans		(5.33)	(0.79)
ii) Income Tax		1.34	0.20
iii) Equity instruments through other comprehensive income		298.30	-
iv) Income Tax		(63.30)	-
2 Items that will be reclassified to profit or loss:			
i) The effective portion of gains and (losses) on hedging instruments in a cash flow hedge		(37.60)	193.87
ii) Income Tax		9.46	(48.79)
<b>Total Other Comprehensive Income (1+2)</b>		<b>202.87</b>	<b>144.49</b>
<b>IX Total Comprehensive Income (VII+VIII)</b>		<b>1,831.24</b>	<b>1,582.08</b>
<b>X Earnings per equity share:</b>			
Basic and Diluted	42	84.23	74.36

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

As per our report of even date attached

For and on behalf of the Board of Directors

**For JAYANTILAL THAKKAR & CO.**

Chartered Accountants  
(Firm Reg. no. 104133W)

**ARVIND PODDAR**

Chairman & Managing Director

**RAJIV PODDAR**

Joint Managing Director

**VIRAL A. MERCHANT**

Partner  
Membership No.116279

Place: Mumbai

Dated: 23<sup>rd</sup> May, 2025

**VIPUL SHAH**

Director & Company Secretary

Place: Mumbai

Dated: 23<sup>rd</sup> May, 2025

**MADHUSUDAN BAJAJ**

Sr. President & Director (Commercial) and CFO



# Standalone Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2025

## (A) EQUITY SHARE CAPITAL

Particulars	No. of Shares	Amount (₹ in Crores)
Balance as at the 1 <sup>st</sup> April, 2023	19,33,17,190	38.66
Changes in equity share capital	-	-
Balance as at 31 <sup>st</sup> March, 2024	19,33,17,190	38.66
Changes in equity share capital	-	-
<b>Balance as at 31<sup>st</sup> March, 2025</b>	<b>19,33,17,190</b>	<b>38.66</b>

## (B) OTHER EQUITY

Particulars	Reserves and Surplus		Statement of Other Comprehensive Income			Total Other Equity (₹ in Crores)
	General Reserve	Retained Earnings	Remeasurements of the Net Defined Benefit Plans	Effective portion of Cash Flow Hedges	Equity Instruments Through Other Comprehensive Income	
<b>Balance as at 1<sup>st</sup> April, 2023</b>	<b>4,800.00</b>	<b>2,790.69</b>	<b>(14.81)</b>	<b>(25.42)</b>	<b>-</b>	<b>7,550.46</b>
<b>Total Comprehensive</b>						
Profit for the year	-	1,437.59	-	-	-	1,437.59
Other Comprehensive Income for the year	-	-	(0.59)	145.07	-	144.48
<b>Transactions with owners of the company</b>						
Interim Dividend on Equity Shares	-	(231.98)	-	-	-	(231.98)
Dividend on Equity Shares	-	(77.32)	-	-	-	(77.32)
Transferred to General Reserve	-	(400.00)	-	-	-	(400.00)
Transferred from Retained Earnings	400.00	-	-	-	-	400.00
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>5,200.00</b>	<b>3,518.98</b>	<b>(15.40)</b>	<b>119.65</b>	<b>-</b>	<b>8,823.23</b>
<b>Total Comprehensive</b>						
Profit for the year	-	1,628.37	-	-	-	1,628.37
Other Comprehensive Income for the year	-	-	(3.99)	(28.14)	235.00	202.87
<b>Transactions with owners of the company</b>						
Interim Dividend on Equity Shares	-	(231.98)	-	-	-	(231.98)
Dividend on Equity Shares	-	(77.32)	-	-	-	(77.32)
Transferred to General Reserve	-	(500.00)	-	-	-	(500.00)
Transferred from Retained Earnings	500.00	-	-	-	-	500.00
<b>Balance as at 31<sup>st</sup> March, 2025</b>	<b>5,700.00</b>	<b>4,338.05</b>	<b>(19.39)</b>	<b>91.51</b>	<b>235.00</b>	<b>10,345.17</b>

## NOTES FORMING PART OF THE STANDALONE 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: 23<sup>rd</sup> May, 2025

For and on behalf of the Board of Directors

### ARVIND PODDAR

Chairman & Managing Director

### RAJIV PODDAR

Joint Managing Director

### VIPUL SHAH

Director & Company Secretary

### MADHUSUDAN BAJAJ

Sr. President & Director (Commercial) and CFO



# Standalone Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2025

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit before Tax</b>	<b>2,156.29</b>	<b>1,899.07</b>
Adjustment for:		
Depreciation and Amortisation	673.53	643.78
Withdrawal of Provision of Doubtful Loan	(0.20)	(0.50)
Decommissioning expenses	0.46	-
Net mark to market (Gain)/Loss on investments	(89.41)	(171.88)
Income from Investments	(93.82)	(38.37)
Finance Cost	125.21	108.93
Interest Income (including on Investments)	(63.31)	(47.40)
(Profit)/Loss on Sale of Property, Plant and Equipment	(9.64)	(9.54)
Property, Plant and Equipment Discarded	1.38	0.17
Unrealised Foreign Exchange differences (Gain)/Loss	(6.72)	(55.21)
Actuarial gains/(losses) reclassified to OCI	(5.33)	(0.79)
Export Incentive on account of EPCG (Benefit)/Utilised	(23.90)	(20.93)
	<b>508.25</b>	<b>408.26</b>
<b>Operating profit before working capital changes</b>	<b>2,664.54</b>	<b>2,307.33</b>
Adjustment for:		
Trade and other receivables	(83.56)	(425.92)
Other Financial Assets	(0.63)	1.65
Inventories	(445.34)	321.83
Trade payables	97.10	265.24
	<b>(432.43)</b>	<b>162.80</b>
<b>Cash generated from operations</b>	<b>2,232.11</b>	<b>2,470.13</b>
Direct taxes paid	(478.89)	(417.68)
<b>Net cash from Operating Activities*</b>	<b>1,753.22</b>	<b>2,052.45</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, Plant and Equipment	(1,480.12)	(1,092.19)
Sale of Property, Plant and Equipment	34.50	17.20
Purchase of Investments	(2,776.03)	(2,619.00)
Sale of Investments	2,600.00	2,161.57
Inter Corporate Loan Refund received	0.20	0.50
Interest received	66.29	47.35
Income/Dividend Received on Investments	78.51	16.93
<b>Net cash used in Investing Activities</b>	<b>(1,476.65)</b>	<b>(1,467.64)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds/(Repayment) of Short-Term Borrowings (Net)	1,331.64	(306.76)
Proceeds from Long-Term Borrowings	2,467.05	2,944.39
Repayment of Long-Term Borrowings	(3,647.06)	(2,798.58)
Dividend paid	(309.51)	(309.45)
Lease Liability paid	(0.12)	(0.04)
Finance Cost paid	(109.56)	(97.60)
<b>Net Cash used in Financing Activities</b>	<b>(267.56)</b>	<b>(568.04)</b>
<b>Net Increase/(Decrease) in cash and cash equivalent</b>	<b>9.01</b>	<b>16.77</b>
Exchange difference on cash and cash equivalent	(0.12)	0.10
Cash and cash equivalent as at the beginning of the year	47.66	30.79
Cash and cash equivalent as at the end of the year	<b>56.55</b>	<b>47.66**</b>

\* Includes amount spent in cash towards Corporate Social Responsibilities ₹ 21.52 Crores (PY ₹ 34.07 Crores).

\*\* Includes ₹ 0.28 Crores on account of merger of BKT Tyres Ltd

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 STANDALONE FINANCIAL STATEMENTS

As per our report of even date attached

For and on behalf of the Board of Directors

**For JAYANTILAL THAKKAR & CO.**

Chartered Accountants  
(Firm Reg. no. 104133W)

**ARVIND PODDAR**

Chairman & Managing Director

**RAJIV PODDAR**

Joint Managing Director

**VIRAL A. MERCHANT**

Partner  
Membership No.116279

Place: Mumbai

Dated: 23<sup>rd</sup> May, 2025

**VIPUL SHAH**

Director & Company Secretary

Place: Mumbai

Dated: 23<sup>rd</sup> May, 2025

**MADHUSUDAN BAJAJ**

Sr. President & Director (Commercial) and CFO



# Notes forming part of the Standalone Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### 1 (A) General information

Balkrishna Industries Limited ('the Company') is engaged mainly in the business of manufacturing and selling of "Off-Highway Tires" (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 Sambhajinagar, 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) Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under Ind AS and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

All amounts disclosed in the financial statements and notes have been presented in crore rounded off to two decimal places as per the requirement of Schedule III, unless otherwise stated.

#### (c) 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).

#### (d) 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

## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

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.

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.

### (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.
- 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.



## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### 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 the 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

#### (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 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

#### (g) Intangible assets

Intangible assets comprise application software purchased, which are not an integral part of the related hardware, and are amortised on a straight line basis over a period of useful life, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

Subsequent expenditure is capitalised 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

#### (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 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 amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.



# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

## (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 costs 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 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
Land	60 Years to 100 Years
Buildings	1 Year to 4 Years
Vehicles	1 Year to 4 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 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).

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

## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

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.

#### (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 Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) 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 assets. 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 assets.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

## 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.
- 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:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- b) 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.

## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### 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, 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.

#### De-recognition

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.

## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### 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.

#### (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 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.

The Company records a provision for decommissioning costs towards site restoration activity. Decommissioning costs are provided at the present value of future expenditure using a current pre-tax rate expected to be incurred to fulfil decommissioning obligations and are recognised as part of the cost of the underlying assets.



## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

Any change in the present value of the expenditure, other than unwinding of discount on the provision, is reflected as adjustment to the provision and the corresponding asset. The change in the provision due to the unwinding of discount is recognised in the Statement of Profit and Loss.

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 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.

#### (t) 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 capitalised.

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 capitalised and which components of the cost of the asset may be capitalised.

## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

- 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 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 categorised 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 categorised 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) 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, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind As 116 – Leases, relating to sale and lease back transactions, applicable from 1<sup>st</sup> April, 2024. The Company has assessed that there is no significant impact on its financial statements.

On 9<sup>th</sup> May, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after 1<sup>st</sup> April, 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.



## Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 2 PROPERTY, PLANT AND EQUIPMENTS AS AT 31<sup>ST</sup> MARCH, 2025

(₹ in Crores)

Particulars	Gross Block (At Cost)			Depreciation			(Net Block)
	Balance As at 1 <sup>st</sup> April, 2024	Additions/Adjustment During the year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2025	*For the Year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2025
<b>Tangible assets</b>							
(a) Freehold Land	128.97	21.23	-	150.20	-	-	150.20
(b) Buildings	2,095.75	123.47	0.04	2,219.18	75.25	0.01	1,765.06
(c) Plant and Equipment	6,919.76	1,087.25	38.18	7,968.83	541.31	14.80	4,519.49
(d) Furniture and Fixtures	111.43	1.20	0.02	112.61	10.45	0.02	40.48
(e) Vehicles	45.16	19.01	2.89	61.28	5.66	1.83	36.66
(f) Office Equipment	20.08	1.25	0.11	21.22	2.29	0.10	6.69
(g) Others:							
Electric Installations	427.88	64.91	0.39	492.40	38.25	0.37	288.38
Air Conditioners	22.77	0.86	0.94	22.69	2.51	0.94	6.55
Computer	31.03	18.55	0.42	49.16	7.04	0.40	20.78
<b>Total</b>	<b>9,802.83</b>	<b>1,337.73</b>	<b>42.99</b>	<b>11,097.57</b>	<b>682.76</b>	<b>18.47</b>	<b>6,834.29</b>

\* Including Depreciation capitalised ₹ 11.10 Crores

### PROPERTY, PLANT AND EQUIPMENTS AS AT 31<sup>ST</sup> MARCH, 2024

(₹ in Crores)

Particulars	Gross Block (At Cost)			Depreciation			(Net Block)
	Balance As at 1 <sup>st</sup> April, 2023	Additions/Adjustment During the year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2024	*For the Year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2024
<b>Tangible assets</b>							
(a) Freehold Land	77.66	@51.31	-	128.97	-	-	128.97
(b) Buildings	1,696.75	399.15	0.15	2,095.75	65.49	#0.00	1,716.87
(c) Plant and Equipment	5,916.56	1,010.54	7.34	6,919.76	523.01	7.16	3,996.93
(d) Furniture and Fixtures	93.38	18.05	-	111.43	10.00	-	49.73
(e) Vehicles	43.39	7.02	5.25	45.16	4.69	2.95	24.37
(f) Office Equipment	18.80	1.28	-	20.08	2.18	-	7.74
(g) Others:							
Electric Installations	330.23	98.28	0.63	427.88	35.78	0.61	261.74
Air Conditioners	18.12	4.65	-	22.77	2.34	-	8.20
Computer	28.81	2.82	0.60	31.03	5.68	0.60	9.29
<b>Total</b>	<b>8,223.70</b>	<b>1,593.10</b>	<b>13.97</b>	<b>9,802.83</b>	<b>649.17</b>	<b>11.32</b>	<b>6,203.84</b>

\* Including Depreciation capitalised ₹ 7.15 Crores.

# ₹ 6,228

@ Including ₹ 0.29 Crores on account of merger of BKT Tyres Ltd

## Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 2A CAPITAL WORK-IN-PROGRESS AGEING AS AT 31<sup>ST</sup> MARCH, 2025

Particulars	Less than one year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	704.38	142.00	97.08	41.65	985.11
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>704.38</b>	<b>142.00</b>	<b>97.08</b>	<b>41.65</b>	<b>985.11</b>

(₹ in Crores)

### CAPITAL WORK-IN-PROGRESS AGEING AS AT 31<sup>ST</sup> MARCH, 2024

Particulars	Less than one year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	504.96	356.36	50.00	33.11	944.43
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>504.96</b>	<b>356.36</b>	<b>50.00</b>	<b>33.11</b>	<b>944.43</b>

(₹ in Crores)

### Expected Completion Schedule of Capital Work-in Progress where time overrun has exceeded original plan as on 31<sup>st</sup> March, 2025

Particulars	Less than one year	Project to be completed in	More than 3 Years
Project-1	-	1-2 Years	-
		2-3 Years	-
		More than 3 Years	-

(₹ in Crores)

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 31<sup>st</sup> March, 2024

Particulars	Less than one year	Project to be completed in	More than 3 Years
Project-1	359.88	1-2 Years	-
		2-3 Years	-
		More than 3 Years	-

(₹ in Crores)

There are no projects which have exceeded its cost compared to its original plan.

### NOTE NO. 3 INVESTMENT PROPERTY AS AT 31<sup>ST</sup> MARCH, 2025

Particulars	Balance As at 1 <sup>st</sup> April, 2024	Gross Block (At Cost)	Depreciation	Balance As at 31 <sup>st</sup> March, 2025	(Net Block) As at 31 <sup>st</sup> March, 2025
		Balance As at 31 <sup>st</sup> March, 2025	For the Year	Balance As at 31 <sup>st</sup> March, 2025	
			Deductions During the year		
Buildings	74.08	72.10	1.28	0.25	61.24
<b>Total</b>	<b>74.08</b>	<b>72.10</b>	<b>1.28</b>	<b>0.25</b>	<b>61.24</b>

(₹ in Crores)

## Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### INVESTMENT PROPERTY AS AT 31<sup>ST</sup> MARCH, 2024

Particulars	Gross Block (At Cost)			Depreciation			(Net Block)
	Balance As at 1 <sup>st</sup> April, 2023	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2024	For the Year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2024
Buildings	80.12	-	6.04	74.08	1.33	0.86	64.25
<b>Total</b>	<b>80.12</b>	<b>-</b>	<b>6.04</b>	<b>74.08</b>	<b>1.33</b>	<b>0.86</b>	<b>64.25</b>

(₹ in Crores)

Gross Block (At Cost)			Depreciation			(Net Block)
Balance As at 31 <sup>st</sup> March, 2025	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2025	For the Year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2025
7.41	-	(0.10)	7.41	-	(0.10)	7.41
(0.10)	-	(0.36)	(0.10)	-	(0.36)	(0.10)
(0.24)	-	-	(0.24)	-	-	(0.24)

(₹ in Crores)

Gross Block (At Cost)			Depreciation			(Net Block)
Balance As at 31 <sup>st</sup> March, 2025	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2025	For the Year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2025
218.21	-	-	218.21	-	-	218.21

(₹ in Crores)

### i) Amounts recognised in Profit and Loss for Investment Properties

Particulars	
Rental income derived from investment properties	
Direct operating expenses (including repair and maintenance) generating rental income	
Direct operating expenses (including repair and maintenance) not generating rental income	

### ii) Fair value

Particulars	
Investment properties	

### Estimation of fair value

The company obtains independent valuations for its investment properties from an independent registered valuer as defined under rule 2 of Companies (Registered Valuers & Valuation) Rules, 2017.

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 31<sup>ST</sup> MARCH, 2025

Particulars	Gross Block (At Cost)			Amortisation			(Net Block)
	Balance As at 1 <sup>st</sup> April, 2024	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2025	For the Year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2025
Computer software	6.68	0.98	-	7.66	0.36	-	6.54
Trademark	0.10	-	-	0.10	-	-	0.10
<b>Total</b>	<b>6.78</b>	<b>0.98</b>	<b>-</b>	<b>7.76</b>	<b>0.36</b>	<b>-</b>	<b>1.12</b>

(₹ in Crores)

### INTANGIBLE ASSETS AS AT 31<sup>ST</sup> MARCH, 2024

Particulars	Gross Block (At Cost)			Amortisation			(Net Block)
	Balance As at 1 <sup>st</sup> April, 2023	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2024	For the Year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2024
Computer software	6.17	0.51	-	6.68	0.24	-	6.18
Trademark	0.10	-	-	0.10	#0.00	-	0.10
<b>Total</b>	<b>6.27</b>	<b>0.51</b>	<b>-</b>	<b>6.78</b>	<b>0.24</b>	<b>-</b>	<b>0.50</b>

(₹ in Crores)

# ₹ 53,179



# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

## NOTE NO. 4A RIGHT-OF-USE ASSETS

The Company has lease contracts for land, buildings and 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 9%. (PY 8.70%)

Set out below are the carrying amounts of rights-of-use assets recognised and the movement during the period:  
(₹ in Crores)

Particulars	Land	Building	Vehicle	Total
As at 1 <sup>st</sup> April, 2023	15.58	-	0.04	15.62
Addition/(Deduction)- Net	-	-	-	-
Less: Depreciation expenses	0.22	-	0.04	0.26
As at 1 <sup>st</sup> April, 2024	15.36	-	-	15.36
Addition/(Deduction)- Net	-	1.71	-	1.71
Less: Depreciation expenses	0.22	0.11	-	0.33
As at 31 <sup>st</sup> March, 2025	15.14	1.60	-	16.75

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:  
(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Opening Balance	-	0.04
Addition/ (Deduction)- Net	1.71	-
Accretion of Interest (PY ₹ 15,936)	0.04	0.00
Less: Payments	0.12	0.04
Closing Balance	1.63	-
Current	0.35	-
Non-Current	1.28	-

The following are the amounts recognised in profit and loss:  
(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Depreciation expenses of right-of-use assets*	0.33	0.26
Interest expenses on lease liabilities (PY ₹ 15,936)	0.04	0.00
Expenses relating to short-term lease and low value leased (included in other expenses)	4.53	5.11
Total amount recognised in profit and loss	4.90	5.37

The Company had total cash outflow for lease of ₹ 4.65 Crores in 31<sup>st</sup> March, 2025 (PY ₹ 5.15 Crores)

\* Including depreciation capitalised ₹ 0.08 Crores (PY ₹ 0.08 Crores)

## NOTE NO. 5 INVESTMENTS (NON-CURRENT)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
<b>A Investments at Cost</b>				
<b>a) Investment in Equity Shares</b>				
<b>Unquoted (Fully paid up Shares)</b>				
<b>i) In 100 % Subsidiaries Companies</b>				
BKT EUROPE S.R.L.	-	0.13	-	0.13
BKT USA INC	1,000	0.01	1,000	0.01
BKT Tires (Canada) INC	5,000	0.03	5,000	0.03
BKT TIRES INC (w.e.f. 22.06.2023); BKT Exim US INC (up to 21.06.2023)	6,000	0.37	6,000	0.37
		0.54		0.54
<b>ii) In other Companies</b>				
National Stock Exchange of India Limited of ₹ 1 each	-	-	4,14,000	101.10
BDR Pharmaceuticals International Private Limited of ₹ 10 each	-	-	725	9.93
Care Health Insurance Limited of ₹ 10 each	-	-	4,78,795	10.15
		-		121.18



## Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 5 INVESTMENTS (NON-CURRENT) (Contd.)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
<b>b) Investment in Preference Shares</b>				
<b>Unquoted</b>				
0.001% Series C Compulsorily Convertible Non-Cumulative Preference Shares of Vay Network Services Private Limited ₹ 2 each	11,190	0.94	11,190	0.94
0.0001% Series A&B Compulsorily Convertible Preference Shares of Newspace Research & Technologies Private Limited of ₹ 10 each	2,45,120	12.75	2,45,120	12.75
0.01% Series B Compulsorily Convertible Non-Cumulative Preference Shares of Bombinate Technologies Private Limited ₹ 100 each	-	-	602	5.00
0.01 % Series A Compulsorily Convertible Non-Cumulative Preference Shares of Altigreen Propulsion Labs Private Limited of ₹ 100 each	1,356	2.00	1,356	2.00
0.001% Series C Compulsorily Convertible Non-Cumulative Preference Shares of Globalbees Brands Private Limited of ₹ 5 each	104	5.28	104	5.28
0.01% Series A1 Non-Cumulative Fully Mandatorily Compulsorily Convertible Preference Shares of BDR Pharmaceuticals International Private Limited of ₹ 20 each	-	-	369	5.05
Non-Convertible Non-Cumulative Redeemable Preference Shares Music Broadcast of ₹ 10 each	-	-	30,000	0.30
		<b>20.97</b>		<b>31.32</b>
<b>B Investment carried at fair value through Other Comprehensive Income</b>				
<b>Investment in Equity Shares</b>				
<b>Unquoted</b>				
National Stock Exchange of India Limited of ₹ 1 each	32,07,150	500.32	-	-
BDR Pharmaceuticals International Private Limited of ₹ 10 each	1,094	15.24	-	-
Care Health Insurance Limited of ₹ 10 each	4,78,795	7.90	-	-
		<b>523.46</b>		<b>-</b>
<b>C Investment carried at amortised cost</b>				
<b>a) Investment in Preference Shares</b>				
<b>Unquoted (Fully paid up Shares)</b>				
9.58% Preference Shares of Mercedes-Benz Financial services India Private Limited of ₹ 10,00,000 each	200	20.66	-	-
		<b>20.66</b>		<b>-</b>
<b>Quoted</b>				
<b>b) Investment in Tax Free Bonds</b>				
7.07 % NABARD Tax Free Bonds of ₹10,00,000 each	-	-	550	55.60
7.14 % NHAI Tax Free Bond of ₹1,000 each	-	-	2,85,698	28.74
7.36% IIFC Tax Free Bond of ₹1,000 each	4,00,000	40.83	4,00,000	41.13
		<b>40.83</b>		<b>125.47</b>
<b>c) Investment in Government Bonds</b>				
7.18% Government of India Sovereign Bond ₹ 100 each	15,00,000	14.79	15,00,000	14.78
7.10% Government of India Sovereign Bond ₹ 100 each	5,00,000	5.13	-	-
7.23% Government of India Sovereign Bond ₹ 100 each	5,00,000	5.20	-	-
		<b>25.12</b>		<b>14.78</b>
<b>d) Investment in Perpetual Bonds</b>				
7.55 % SBI Perpetual Bond of ₹ 1,00,00,000 each	5	4.98	5	4.97
8.25 % BOB Perpetual Bond of ₹ 10,00,000 each	-	-	450	44.90
8.50 % BOB Perpetual Bond of ₹ 10,00,000 each	-	-	480	48.00
8.15 % BOB Perpetual Bond of ₹ 10,00,000 each	-	-	50	5.01
8.70 % HDB Perpetual Bond of ₹ 10,00,000 each	50	5.02	50	5.03
9.50 % Cholamandalam Investment & Finance Perpetual Bond of ₹ 1,00,00,000 each	16	16.27	-	-
		<b>26.27</b>		<b>107.91</b>

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

## NOTE NO. 5 INVESTMENTS (NON-CURRENT) (Contd.)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
<b>D Investment carried at fair value through Profit and Loss</b>				
<b>a) Investment in Non-Convertible Debenture/ Market Linked Debentures</b>				
<b>Quoted</b>				
Nuvama Wealth Finance Limited of ₹ 1,00,000 each	500	5.39	500	4.78
Shriram Finance Limited of ₹ 1,00,000 each	1,500	16.31	500	5.14
MAS Financial Services Limited of ₹ 1,00,000 each	1,000	9.87	-	-
Tata Capital Limited of ₹ 10,00,000 each	-	-	100	10.89
L&T Finance Limited of ₹ 10,00,000 each	-	-	250	27.11
Alpha Alternatives Financial Services Private Limited of ₹ 1,00,000 each	424	5.74	424	5.08
360 One Prime Limited of ₹ 1,00,000 each	1,000	12.30	1,000	10.77
9.35% Telangana State Industrial Infrastructure Corporation Limited of ₹ 1,00,000	1,000	10.34	-	-
		<b>59.95</b>		<b>63.77</b>
<b>Unquoted</b>				
Avendus Finance Private Limited of ₹ 10,00,000 each	-	-	300	30.37
Tenshi Pharmaceuticals Private Limited of ₹ 10,00,000 each	-	-	125	12.93
		<b>-</b>		<b>43.30</b>
<b>b) Investment in Alternate Investment Fund</b>				
<b>Unquoted</b>				
360 One Special Opportunities Fund Series 7 of ₹ 10 each	1,93,31,093	6.03	3,67,27,003	71.80
360 One India Private Equity Fund - Series 1A of ₹ 10 each	45,95,852	11.53	46,03,432	6.51
360 One Special Opportunities Fund Series 8 of ₹ 10 each	45,98,258	6.85	46,24,798	6.37
360 One Special Opportunities Fund of fund 1 of ₹ 10 each	90,27,646	12.65	90,27,646	11.49
360 One Special Opportunities Fund Series 10 of ₹ 10 each	49,34,458	8.08	49,66,529	6.60
360 One Commercial Yield Fund of ₹ 10 each	95,06,313	10.89	95,06,313	10.53
Ascertis (Erstwhile BPEA) Credit India Fund III of ₹ 100 each	13,81,500	15.05	11,47,500	12.34
Ascertis Credit Select Short-Term Income Fund I of ₹ 1,00,000 each	1,590	16.32	-	-
Chirate Ventures India Fund IV of ₹ 1,00,000 each	947	13.78	853	12.59
Chiratae Ventures India Fund V of ₹ 1,00,000 each	120	1.04	-	-
TVS Shriram Growth Fund 3 of ₹ 1,000 each	95,310	13.62	1,15,214	18.65
TVS Shriram Growth Fund 4 of ₹ 1,000 each	10,000	1.00	-	-
Inflexor Technology Fund of ₹ 1,00,000 each	346	3.24	291	2.91
Blume Ventures Fund IX of ₹ 100 each	4,72,878	10.02	5,00,000	9.96
Blume Ventures Fund IV of ₹ 100 each	3,00,000	3.30	2,15,000	2.16
Xponentia Opportunities Fund of ₹ 1,00,000 each	399	6.47	399	6.68
Avendus Future Leader Fund II of ₹ 1,00,000 each	500	6.36	415	4.35
Avendus Future Leader Fund III of ₹ 1,00,000 each	110	1.05	-	-
Multiples Private Equity Fund III of ₹ 100 each	4,94,077	5.68	4,65,209	5.07
Multiples Private Equity Fund IV of ₹ 100 each	3,88,815	3.78	73,610	0.72
Six Sense India Opportunities III of ₹ 1,000 each	1,87,774	26.04	2,00,000	23.78
3One4 Capital - Fund III of ₹ 1 each (PY of ₹ 1,00,000 each)	10,69,27,967	16.72	1,500	12.30
Trifecta Venture Debt Fund III of ₹ 100 each	19,88,200	19.99	18,38,200	18.86
Sageone - Flagship Growth 2 Fund of ₹ 1,000 each	97,836	14.57	97,836	13.97
White Oak India Equity Fund V of ₹ 10 each	99,46,812	13.93	99,46,812	12.50
Alchemy Leaders Of Tomorrow Fund of ₹ 100 each	9,26,916	14.59	9,26,916	13.79
Avendus Structured Credit Fund II of ₹ 1,00,000 each	2,042	21.32	1,191	12.59
Avendus Structured Credit Fund III of ₹ 1,00,000 each	375	3.76	-	-



## Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 5 INVESTMENTS (NON-CURRENT) (Contd.)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
Innoven Capital India Fund of ₹ 100 each	10,00,000	10.00	8,00,000	8.10
Fireside Ventures Investment Fund III of ₹ 1,00,000 each	200	2.01	120	1.06
ASK Golden Decade Fund of ₹ 1,000 each	-	-	1,46,028	18.29
Alphamine Absolute Return Fund of ₹ 100 each	-	-	4,99,975	5.35
Lighthouse India Fund IV of ₹ 1,00,000 each	221	2.25	211	2.11
Altacura AI Absolute Return Fund of ₹ 100 each	-	-	5,00,000	5.19
Rental Yield Plus of ₹ 10,000 each	6,998	7.00	-	-
JM Financial Credit Opportunities Fund I of ₹ 1,00,000 each	798	8.32	736	7.47
Sundaram Alternative Opportunities Series - High Yield Secured Real Estate Fund IV of ₹ 1,00,000 each	1,050	10.50	-	-
Build India Infrastructure Fund of ₹ 100 each	49,998	0.52	-	-
ASK Real Estate Affordable Housing Fund of ₹ 1,00,000 each	125	1.25	-	-
Alteria Capital Fund II of ₹ 100 each	11,78,162	10.99	15,96,081	16.02
		<b>340.50</b>		<b>360.11</b>
<b>c) Investment in Mutual fund</b>				
<b>Quoted</b>				
Bharat Bond ETF April 2030 of ₹ 1,000 each	10,00,000	147.39	10,00,000	135.65
Bharat Bond ETF April 2031 of ₹ 1,000 each	17,50,233	230.76	17,50,233	212.37
Bharat Bond ETF April 2033 of ₹ 1,000 each	2,99,985	36.25	2,99,985	33.31
		<b>414.40</b>		<b>381.33</b>
<b>Unquoted</b>				
Edelweiss Bharat Bond FOF April 2032 of ₹ 10 each	2,96,92,960	36.73	2,96,92,960	33.70
Edelweiss CRISIL IBX 50:50 Gilt Plus SDL April 2037 Index Fund of ₹ 10 each	4,15,29,107	52.68	4,15,29,107	47.66
		<b>89.41</b>		<b>81.36</b>
<b>d) Investment in Equity instruments</b>				
<b>Quoted</b>				
Cube Highway Trust Invit of ₹ 100 each	-	-	6,00,000	6.12
		<b>-</b>		<b>6.12</b>
<b>Total Non-Current Investments</b>		<b>1,562.11</b>		<b>1,337.19</b>
Aggregate amount of quoted investments and market value thereof		<b>566.57</b>		<b>699.38</b>
Aggregate amount of unquoted investments.		<b>995.54</b>		<b>637.81</b>

### NOTE NO. 6 OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Derivative Assets	84.00	131.47
Security Deposits	19.31	18.00
Bank deposits more than 12 months maturity		
In Margin	2.62	5.56
Fixed deposits (CY ₹ 5,097, PY ₹ 5,097)	0.00	0.00
	<b>105.93</b>	<b>155.03</b>

### NOTE NO. 7 INCOME TAX ASSETS (NET)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Advance Payments of Taxes and Tax deducted at source (Net of Provisions)	20.79	14.73
	<b>20.79</b>	<b>14.73</b>

## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 8 OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
(a) Capital Advances	450.95	275.73
(b) Other loans and advances		
VAT/Service Tax Receivable	0.41	0.66
Prepaid expenses	1.59	0.32
	<b>452.95</b>	<b>276.71</b>

#### NOTE NO. 9 INVENTORIES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
(At lower of Cost and Net Realisable Value)		
(a) Raw materials (including Goods in transit)	919.61	522.52
(b) Work-in-Progress	187.88	172.72
(c) Finished Goods	486.06	447.09
(d) Stock-in-Trade	19.36	17.95
(e) Stores and Spares	88.55	100.16
(f) Others - Packing Materials and Fuel	14.41	10.08
	<b>1,715.87</b>	<b>1,270.52</b>

#### NOTE NO. 10 INVESTMENTS (CURRENT)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
<b>A Investment at Cost</b>				
<b>Investment in Preference Shares</b>				
<b>Unquoted (Fully paid up Shares)</b>				
7.15 % Preference Shares of Tata Capital Limited of ₹ 1,000 each	-	-	2,00,000	20.00
Non-Convertible Non-Cumulative Redeemable Preference Shares Music Broadcast of ₹ 10 each	30,000	0.30	-	-
		<b>0.30</b>		<b>20.00</b>
<b>B Investment carried at fair value through Profit and Loss</b>				
<b>a) Investment in Non-Convertible Debenture / Market Link Debentures</b>				
<b>Quoted</b>				
Shriram Finance Limited of ₹ 10,00,000 each	-	-	270	29.40
Shriram Finance Limited of ₹ 1,00,000 each	500	5.15	2,500	25.05
Matrix Pharma Private Limited of ₹ 1,00,000 each	1,000	5.00	-	-
Motilal Oswal Financial Services Limited of ₹ 1,000 each	1,72,742	18.67	-	-
Muthoot Capital Services Limited of ₹ 10,00,000 each	-	-	1,000	11.29
Avanse Financial Services Limited of ₹ 10,00,000 each	100	10.75	150	16.08
Asirvad Micro Finance Limited of ₹ 10,00,000 each	-	-	200	22.57
Belstar Microfinance Limited of ₹ 10,00,000 each	-	-	130	15.55
JM Financial Credit Solutions Limited of ₹ 10,00,000 each	-	-	50	5.02
Krazybee Services Private Limited of ₹ 1,00,000 each	-	-	1,200	11.99
Krazybee Services Private Limited of ₹ 40,000 each	769	1.53	-	-
Spandana Sphoorty Financial Limited of ₹ 1,00,000 each	-	-	1,000	9.88
Spandana Sphoorty Financial Limited of ₹ 10,00,000 each	67	1.34	-	-
Vivriti Capital Limited of ₹ 10,00,000 each	-	-	100	10.95
Navi Finserv Limited of ₹ 1,00,000 each	1,000	10.57	-	-
ICICI Home Finance Company Limited of ₹ 10,00,000 each	80	9.58	-	-
SMFG India Credit Company Limited of ₹ 10,00,000 each	50	5.98	-	-
Nuvama Clearing Services Limited of ₹ 1,00,000 each	1,500	15.90	-	-
Incred Financial Services Limited of ₹ 1,00,000 each	797	7.96	-	-





## Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 10 INVESTMENTS (CURRENT) (Contd.)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
Shriram Finance Limited of ₹ 10,00,000 each	100	11.95	-	-
L&T Finance Limited of ₹ 10,00,000 each	250	29.49	-	-
Tata Capital Limited of ₹ 10,00,000 each	100	11.87	-	-
S K Fincorp Limited of ₹ 5,00,000 each	-	-	229	11.49
S K Fincorp Limited of ₹ 10,00,000 each	-	-	150	17.53
Motilal Oswal Finvest Limited of ₹ 10,00,000 each	-	-	100	10.93
HDB Financial Services Limited of ₹ 10,00,000 each	-	-	150	15.15
Alpha Alternatives Financial Services Private Limited of ₹ 10,00,000 each	66	11.54	-	-
MAS Financial Services Limited of ₹ 1,00,000 each	3,000	29.76	-	-
MAS Financial Services Limited of ₹ 10,00,000 each	-	-	100	11.18
		<b>187.04</b>		<b>224.06</b>
<b>Unquoted</b>				
Aventus Finance Private Limited of ₹ 10,00,000 each	300	17.69	100	10.09
		<b>17.69</b>		<b>10.09</b>
<b>b) Investment in Equity instruments</b>				
<b>Quoted</b>				
Mindspace Business Part REIT of ₹ 10 each	2,52,800	9.47	2,52,800	8.73
National Highways Infra Trust INVIT of ₹ 101 each	18,00,000	24.03	18,00,000	22.72
Energy Infrastructure Trust (Erstwhile India Infrastructure Trust) INVIT	10,00,000	8.48	10,00,000	9.20
Nexus Select Trust REIT	9,93,510	12.94	9,93,510	12.69
India Grid Trust INVIT of ₹ 100 each	15,18,060	21.39	9,31,679	12.37
Indus Infra Trust (Erstwhile Bharat Highways) INVIT of ₹ 100 each	16,15,922	17.36	16,15,922	17.78
NDR INVIT of ₹ 100 each	10,00,000	10.80	10,00,000	10.13
Intelligent Supply Chain Infrastructure Trust INVIT	22,00,000	24.20	22,00,000	22.39
Cube Highway Trust INVIT of ₹ 100 each	24,00,000	30.00	-	-
Capital Infra Trust INVIT of ₹ 99 each	21,38,546	18.93	-	-
Nxt-Infra Trust INVIT of ₹ 100 each	10,00,000	11.00	-	-
		<b>188.60</b>		<b>116.01</b>
<b>c) In Mutual Fund</b>				
<b>Quoted</b>				
ICICI Prudential Mutual Fund Nifty 50 ETF of ₹ 10 each	1,78,544	4.68	1,78,544	4.39
Nippon India Mutual Fund ETF Nifty 50 Bees of ₹ 1 each	95,81,446	252.19	59,24,021	146.30
Nippon India Mutual Fund ETF Silver Bees of ₹ 10 each	-	-	17,951	0.13
Nippon India Mutual Fund ETF Gold Bees of ₹ 1 each	60,15,497	44.61	54,29,531	30.74
ICICI Prudential Mutual Fund Gold ETF of ₹ 1 each	55,47,920	42.47	9,17,000	5.36
ICICI Prudential Mutual Fund Silver ETF of ₹ 10 each	5,47,000	5.54	-	-
		<b>349.49</b>		<b>186.92</b>
<b>Unquoted</b>				
Aditya Birla Sun Life Arbitrage Fund of ₹ 10 each	-	-	20,94,040	5.45
Axis Arbitrage Fund of ₹ 10 each	-	-	28,38,461	5.25
HSBC Liquid Fund of ₹ 1,000 each	19,419	5.02	-	-
HDFC Arbitrage Fund of ₹ 10 each	-	-	73,95,878	13.58
ICICI Prudential Liquid Fund of ₹ 100 each	-	-	1,40,239	5.01
ICICI Prudential Gilt Fund of ₹ 10 each	6,37,519	6.92	6,37,519	6.33
ICICI Prudential PSU Equity Fund of ₹ 10 each	61,87,809	12.53	61,87,809	11.97
ICICI Prudential Multi Assets Fund of ₹ 100 each	3,54,013	27.98	3,54,013	24.50
ICICI Prudential Equity Saving Fund of ₹ 10 each	24,38,902	5.70	24,38,902	5.27
ICICI Prudential Pharma Healthcare and Diagnostic Fund of ₹ 10 each	15,42,657	6.00	15,42,657	4.97
ICICI Prudential Manufacturing Fund of ₹ 10 each	43,99,738	14.71	15,84,205	5.11

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

## NOTE NO. 10 INVESTMENTS (CURRENT) (Contd.)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
ICICI Prudential Banking & Financial Plan of ₹ 10 each	7,15,886	9.86	-	-
ICICI Prudential Arbitrage Fund of ₹ 10 each	14,14,589	5.11	-	-
SBI Magnum Gilt Fund of ₹ 10 each	2,66,96,984	184.49	2,66,96,984	168.54
SBI Magnum Income Fund of ₹ 10 each	19,56,921	14.62	19,56,921	13.42
SBI Arbitrage Fund of ₹ 10 each	-	-	35,81,994	11.73
SBI Banking & Financial Services Fund of ₹ 10 each	14,39,626	6.19	14,39,626	5.22
SBI Magnum Ultra Short Duration Fund of ₹ 1,000 each	16,837	10.04	-	-
UTI Arbitrage Fund of ₹ 10 each	20,89,991	7.66	36,48,497	12.38
Tata Arbitrage Fund of ₹ 10 each	61,98,549	9.20	71,08,575	9.76
Tata Money Market Fund of ₹ 1,000 each	21,326	10.06	11,481	5.01
Canara Robeco Liquid Fund of ₹ 1,000 each	19,375	6.02	-	-
Mirae Assets Arbitrage Fund of ₹ 10 each	-	-	83,67,782	10.29
Mirae Assets Ultra Short-term Fund of ₹ 1,000 each	-	-	41,680	5.01
Invesco Arbitrage Fund of ₹ 10 each	-	-	67,35,197	21.13
Bajaj Finserv Liquid Fund of ₹ 1,000 each	-	-	47,580	5.01
Bajaj Finserv Money Market Fund of ₹ 1,000 each	44,171	5.03	-	-
Kotak Arbitrage Fund of ₹ 10 each	39,01,016	15.35	56,29,436	20.49
Kotak Money Market Fund of ₹ 1,000 each	-	-	24,334	10.03
Kotak Corporate Bond Fund of ₹ 1,000 each	13,639	5.25	-	-
Kotak Saving Fund of ₹ 10 each	22,81,501	10.05	-	-
Edelweiss Arbitrage Fund of ₹ 10 each	-	-	83,60,078	15.81
Edelweiss Low Duration Fund of ₹ 1,000 each	79,996	8.04	-	-
Bandhan Liquid Fund of ₹ 1,000 each	-	-	17,181	5.01
DSP Multi Asset Allocation Fund of ₹ 10 each	77,27,350	10.16	-	-
Nippon India Arbitrage Fund of ₹ 10 each	61,18,418	17.25	39,42,793	10.30
Nippon India Nivesh Lakshya Fund of ₹ 10 each	8,66,67,201	156.80	8,66,67,201	142.69
		<b>570.04</b>		<b>559.27</b>
<b>d) Investment in Alternate Investment Fund</b>				
<b>Unquoted</b>				
360 One India Housing Fund 3 of ₹ 10 each	1,99,84,241	27.72	2,00,74,517	25.34
ASK Golden Decade Fund of ₹ 1,000 each	1,46,028	17.59	-	-
Alphamine Absolute Return Fund of ₹ 100 each	30,49,848	31.75	-	-
ASK Absolute Return Fund of ₹ 1,000 each	3,29,984	34.31	-	-
		<b>111.37</b>		<b>25.34</b>
<b>C Investment carried at amortised cost</b>				
<b>Quoted</b>				
<b>a) Investment in Perpetual Bond</b>				
8.70 % BOB Perpetual Bond of ₹ 10,00,000 each	-	-	700	69.99
8.25 % BOB Perpetual Bond of ₹ 10,00,000 each	450	44.98	-	-
8.50 % BOB Perpetual Bond of ₹ 10,00,000 each	480	48.00	-	-
8.15 % BOB Perpetual Bond of ₹ 10,00,000 each	50	5.00	-	-
9.10 % Tata International Perpetual Bond of ₹ 10,00,000 each	135	13.50	135	13.50
8.75 % SBI Perpetual Bond of ₹ 10,00,000 each	-	-	290	29.03
8.50 % SBI Perpetual Bond of ₹ 10,00,000 each	-	-	200	20.00
		<b>111.48</b>		<b>132.52</b>
<b>b) Investment in Preference share</b>				
<b>Unquoted</b>				
7.50 % Preference Shares of Tata Capital Limited of ₹ 1,000 each	-	-	2,00,000	20.01
		<b>-</b>		<b>20.01</b>



## Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 10 INVESTMENTS (CURRENT) (Contd.)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
<b>c) Investment in Tax Free Bond</b>				
<b>Quoted</b>				
7.07 % NABARD Tax Free Bonds of ₹ 10,00,000 each	550	55.28	-	-
7.14 % NHAI Tax Free Bond of ₹ 1,000 each	2,85,698	28.65	-	-
		<b>83.93</b>		<b>-</b>
<b>d) Investment in Commercial Paper</b>				
<b>Quoted</b>				
Motilal Oswal Financial Services Limited of ₹ 5,00,000 each	400	18.91	600	29.85
		<b>18.91</b>		<b>29.85</b>
<b>Unquoted</b>				
Avendus Finance Private Limited of ₹ 5,00,000 each	-	-	100	4.98
JM Financial Services Limited of ₹ 5,00,000 each	700	34.83	-	-
Nuvama Wealth Finance Limited of ₹ 5,00,000 each	400	29.10	400	19.94
		<b>63.93</b>		<b>24.92</b>
		<b>1,702.78</b>		<b>1,348.99</b>
Aggregate amount of quoted investments and Market value thereof		<b>939.45</b>		<b>689.36</b>
Aggregate amount of Unquoted investments		<b>763.33</b>		<b>659.63</b>

### NOTE NO. 11 TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Trade receivable Considered good - Unsecured #	1,610.88	1,543.34
	<b>1,610.88</b>	<b>1,543.34</b>

# Includes Receivable from Related parties (Refer Note no. 43)

\$ Refer Note no. 49

### NOTE NO. 12 CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Balances with banks	56.33	47.43
Cash on hand	0.22	0.23
	<b>56.55</b>	<b>47.66</b>

### NOTE NO. 13 OTHER BANK BALANCES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Unpaid Dividend	2.81	3.01
Margin Money (Including Fixed Deposit)#	3.20	2.37
	<b>6.01</b>	<b>5.38</b>

#(Held against guarantee and other commitments)

### NOTE NO. 14 LOANS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<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	12.22	12.42
Loans receivable - Credit impaired	-	-
	<b>12.22</b>	<b>12.42</b>
Less: Provision for loans which have significant increase in credit risk	12.22	12.42
	<b>-</b>	<b>-</b>
Loans and advances to employees (considered good)	9.70	6.75
	<b>9.70</b>	<b>6.75</b>

## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 15 OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Derivative Assets	75.12	51.48
Interest accrued on Investments	9.88	13.22
Interest accrued on Deposits and Loans	1.31	0.94
Dividend/Income accrued on Investments	4.04	3.36
Security Deposit	0.55	0.55
	<b>90.90</b>	<b>69.55</b>

#### NOTE NO. 16 OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Advance Payment to Suppliers	171.08	195.05
GST/Excise/Sales Tax/Custom Duty etc. Receivables	128.60	87.99
Prepaid Expenses	26.98	17.69
	<b>326.66</b>	<b>300.73</b>

#### NOTE NO. 17 SHARE CAPITAL

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Authorised:</b>		
44,87,50,000 Equity Shares of ₹ 2 each	89.75	89.75
20,00,000 Redeemable Preference Shares of ₹ 10 each	2.00	2.00
	<b>91.75</b>	<b>91.75</b>
<b>Issued Subscribed and fully paid up:</b>		
19,33,17,190 Equity Shares of ₹ 2 each fully paid up	38.66	38.66
	<b>38.66</b>	<b>38.66</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 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Number of Shares	Amount (₹ in Crores)	Number of Shares	Amount (₹ in Crores)
Balance at the beginning of the year	19,33,17,190	38.66	19,33,17,190	38.66
<b>Balance at the end of the year</b>	<b>19,33,17,190</b>	<b>38.66</b>	<b>19,33,17,190</b>	<b>38.66</b>

#### Shareholder's holding more than 5 % Shares in the Company

Name of Shareholders	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Number of Shares	Holding %	Number of Shares	Holding %
VKP Enterprises LLP	4,82,32,880	24.95	4,82,32,880	24.95
Rajiv Poddar	5,35,77,010	27.71	5,35,77,010	27.71
HDFC Value Fund	1,07,71,019	5.57	55,07,715	2.85



## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 17 SHARE CAPITAL (Contd.)

##### Shares held by the promoters and promoters group at the end of the year

Sr no	Promoters Name	No of shares	% of total shares	% Change during the year
1	Arvind Poddar	1,000	0.00	-
2	Vijaylaxmi Poddar	1,000	0.00	-
3	Rajiv Poddar	5,35,77,010	27.71	-
4	Khushboo Poddar	75,93,000	3.93	-
5	Shyamlata 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>	<b>-</b>

#### NOTE NO. 18 OTHER EQUITY

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>a) Other Reserve (General Reserve)</b>		
Opening Balance	5,200.00	4,800.00
Add: Transferred from Profit and Loss account	500.00	400.00
<b>Closing Balance</b>	<b>5,700.00</b>	<b>5,200.00</b>
<b>b) Retained Earnings</b>		
Opening Balance	3,518.98	2,790.71
On account of Merger of BKT Tyres Ltd	-	(0.02)
Opening Balance as per Ind AS	3,518.98	2,790.69
Add: Net Profit for the current year	1,628.37	1,437.59
Less: Interim Dividend	231.98	231.98
Less: Dividend on equity shares	77.32	77.32
Less: Transfer to General Reserve	500.00	400.00
<b>Closing Balance</b>	<b>4,338.05</b>	<b>3,518.98</b>
<b>c) Remeasurements of the Net Defined Benefit Plans</b>		
Opening Balance	(15.40)	(14.81)
Movement during the year	(3.99)	(0.59)
<b>Closing Balance</b>	<b>(19.39)</b>	<b>(15.40)</b>
<b>d) Effective portion of Cash Flow Hedges</b>		
Opening Balance	119.65	(25.42)
Movement during the year	(28.14)	145.07
<b>Closing Balance</b>	<b>91.51</b>	<b>119.65</b>
<b>e) Equity instruments through Other Comprehensive Income</b>		
Opening Balance	-	-
Movement during the year	235.00	-
<b>Closing Balance</b>	<b>235.00</b>	<b>-</b>
	<b>10,345.17</b>	<b>8,823.23</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.



# Notes forming part of the Standalone Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 18 OTHER EQUITY (Contd.)

#### 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.

#### Reserve for Equity Instruments Through Other Comprehensive Income

Fair value gain/loss arising on equity investment that are designated as held at fair value through Other comprehensive income is included here.

### NOTE NO. 19 BORROWINGS (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Unsecured - At Amortised cost</b>		
<u>Non-Convertible Debentures</u>	-	150.00
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 of ₹ 150.00 Crores will be in April 2025.		
<u>Term Loan from Standard Chartered Bank</u>	18.00	-
The repayment schedule will start from October 2027 in eight annual installments, first 4 installments will be of 3% and next 3 installments will be of 5% and remaining last installment is due on October 2034. Rate of interest is 3 months MIBOR plus spread of 1.21%.		
<u>Deferred Payment Liabilities</u>	-	0.13
(Deferred Sales Tax under the scheme of Government of Maharashtra (Payable after ten years, from the date of respective loan, in five annual equal installments)		
<b>Secured - At Amortised cost</b>		
<u>External Commercial Borrowing</u>		
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 tire plant of Bhuj, Gujarat. Rate of interest is 3 Months EURIBOR plus spread of 0.52%.	369.30	541.31
The repayment is starting from December 2025 in six quarterly equal installments of euro 10 Million each.		
	<b>387.30</b>	<b>691.44</b>

(Refer Note No. 48 for details of securities provided)

### NOTE NO. 19A LEASE LIABILITIES (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<u>Lease Liabilities</u>	1.28	-
	<b>1.28</b>	<b>-</b>



## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 20 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Distributors/Dealers Deposit	0.48	0.01
Derivative Liability	20.47	15.91
	<b>20.95</b>	<b>15.92</b>

#### NOTE NO. 21 PROVISIONS (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Provision for employee benefits		
Gratuity	37.54	25.56
Leave Encashment	5.23	4.72
Provision for Decommissioning of Assets	0.46	-
	<b>43.23</b>	<b>30.28</b>

#### NOTE NO. 22 DEFERRED TAX LIABILITIES (NET)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Net Deferred Tax Liabilities	456.95	349.36
	<b>456.95</b>	<b>349.36</b>

(Refer Note no. 38(ii))

#### NOTE NO. 23 OTHER NON-CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Deferred Income (Export Incentive)	102.89	75.19
Income received in advance	0.05	-
	<b>102.94</b>	<b>75.19</b>

#### NOTE NO. 24 BORROWINGS (CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Unsecured</b>		
From Banks	2,490.28	1,995.14
<b>Current maturity of long-term debt</b>		
<b>Secured</b>		
From Banks (ECB)	184.65	-
<b>Unsecured</b>		
Non-Convertible Debentures	150.00	350.00
From Others	0.13	0.31
	<b>2,825.06</b>	<b>2,345.45</b>

(Refer Note no. 48 for details of securities provided)

(Refer Note no. 19 for repayment schedule)

#### NOTE NO. 24A LEASE LIABILITIES (CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Lease Liabilities	0.35	-
	<b>0.35</b>	<b>-</b>

#### NOTE NO. 25 TRADE PAYABLES (CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Trade Payables (including Acceptances) due to:		
Total outstanding due of Micro and Small Enterprise	29.34	20.93
Total outstanding due of creditors Other than Micro and Small Enterprise	716.16	769.62
	<b>745.50</b>	<b>790.55</b>

(Refer Note no. 44)

## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 26 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Interest accrued but not due	3.11	4.05
Unpaid Dividend	2.81	3.01
Derivative liabilities	16.36	7.15
Capital Creditors	154.08	142.05
Others	125.62	102.04
	<b>301.98</b>	<b>258.30</b>

#### NOTE NO. 27 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Income received in advance	84.07	64.34
Security Deposit	59.43	57.23
Statutory dues	141.70	60.58
	<b>285.20</b>	<b>182.15</b>

#### NOTE NO. 28 PROVISIONS (CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Provision for employee benefits		
Leave encashment	5.07	4.43
	<b>5.07</b>	<b>4.43</b>

#### NOTE NO. 29 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Sale of Products	10,323.18	9,234.21
Other Operating Revenue:		
Export Incentives	53.77	28.58
Scrap Sales	26.54	34.62
Others	9.39	1.30
	<b>89.70</b>	<b>64.49</b>
<b>Total Revenue from Operations</b>	<b>10,412.88</b>	<b>9,298.70</b>
<b>DISAGGREGATION OF REVENUE</b>		
Revenue based on Geography		
Export	7,368.66	6,683.57
Domestic #	3,044.22	2,615.13
<b>Revenue from operations</b>	<b>10,412.88</b>	<b>9,298.70</b>
# (Including export incentive)		
<b>Reconciliation of Revenue from operations with contract price</b>		
Contract Price	10,606.16	9,565.45
Less:		
Sales returns	10.20	22.21
Sales Incentives and Bonus	150.36	198.58
Others	32.72	45.96
	<b>193.28</b>	<b>266.75</b>
<b>Total Revenue from operations</b>	<b>10,412.88</b>	<b>9,298.70</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 forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 30 OTHER INCOME

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Interest Income on:		
Non-Current Investments	33.31	35.64
Current Investments	28.59	5.48
Deposits/Loans and Advances/Income tax refund	1.41	6.27
	<b>63.31</b>	<b>47.39</b>
Net gain on foreign currency transaction and translation	267.89	172.86
Income from Non current Investment	67.25	12.00
Dividend Income on investments	11.94	6.76
Net gain/(loss) on sale of Non-Current Investments	1.35	(0.17)
Net mark to market gain/(loss) on investments	89.41	171.88
Net gain on sale of Current Investments	13.29	19.79
Profit on sale of Property Plant and Equipment	9.64	9.54
Withdrawal of Provision of Doubtful Loan	0.20	0.50
Other non-operating income	10.27	7.19
	<b>534.55</b>	<b>447.74</b>

#### NOTE NO. 31 COST OF MATERIAL CONSUMED

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Raw Material Consumed	4,985.31	4,404.45
	<b>4,985.31</b>	<b>4,404.45</b>

#### NOTE NO. 32 PURCHASE OF STOCK-IN-TRADE

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Purchase of Traded Goods	133.34	116.83
	<b>133.34</b>	<b>116.83</b>

#### NOTE NO. 33 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>Opening Inventories:</b>		
Work-in-Progress	172.72	152.30
Stock-in-Trade	17.95	14.11
Finished Goods	447.09	424.46
	<b>637.76</b>	<b>590.87</b>
<b>Less:</b>		
<b>Closing Inventories:</b>		
Work-in-Progress	187.88	172.72
Stock-in-Trade	19.36	17.95
Finished Goods	486.06	447.09
	<b>693.30</b>	<b>637.76</b>
<b>Net (Increase)/Decrease in Inventories</b>	<b>(55.54)</b>	<b>(46.89)</b>

#### NOTE NO. 34 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Salaries and wages	457.14	408.33
Contribution to provident and other funds	25.27	23.62
Staff welfare expenses	11.14	9.30
	<b>493.55</b>	<b>441.25</b>

## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 35 FINANCE COST\*

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Interest expenses	106.20	96.30
Other borrowing cost	2.42	2.60
Exchange difference regarded as an adjustment to borrowing cost	16.55	10.03
Interest on Lease Liability (PY ₹ 15,936)	0.04	0.00
	<b>125.21</b>	<b>108.93</b>

\*Net of borrowing cost capitalised ₹ 9.76 Crores. (PY ₹ 22.54 Crores) The rate used to determine the amount of borrowing cost eligible for capitalisation was 9%

#### NOTE NO. 36 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Depreciation and amortisation	673.28	643.60
Depreciation of Right-of-use assets	0.25	0.18
	<b>673.53</b>	<b>643.78</b>

#### NOTE NO. 37 OTHER EXPENSES

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Consumption of stores and spare parts	268.24	301.45
Packing material consumed	29.55	22.31
Power and fuel (Net)	274.68	304.75
Freight and forwarding	668.29	496.52
Labour/Job Charges	258.86	204.08
Water charges	11.51	10.27
Repairs and Maintenance to Plant & Machinery	38.60	41.03
Repairs and Maintenance to Building	40.08	44.16
Repairs and Maintenance to Others	25.89	18.09
Insurance Charges	26.84	30.55
Rates and Taxes excluding taxes on income	43.99	62.93
Rent	4.53	5.11
Legal and Professional charges	81.44	54.71
Advertisement, Publicity, Sales Promotion and Marketing Service expenses	560.50	493.23
Commission	4.25	5.63
Travelling Expenses	26.43	22.61
Directors Meeting Fees	0.53	0.54
Property Plant and Equipment Discarded	1.38	0.17
Interest to Others	0.17	0.58
Contribution towards CSR expenses (Refer Note no. 51)	32.94	31.33
Miscellaneous expenses	37.04	28.97
	<b>2,435.74</b>	<b>2,179.02</b>

#### NOTE NO. 38

##### i) Tax Reconciliation

##### (a) The Income tax expense consists of the followings

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Current income tax	472.83	402.00
Short/(Excess) provision of earlier year	-	-
Deferred tax expense	55.09	59.48
<b>Tax expense for the year</b>	<b>527.92</b>	<b>461.48</b>





## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 38 (Contd.)

##### (b) Amounts recognised in Other Comprehensive Income

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025			Year Ended 31 <sup>st</sup> March, 2024		
	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						
(i) Remeasurement of post employment benefit obligations	(5.33)	1.34	(3.99)	(0.79)	0.20	(0.59)
(ii) Remeasurement of equity instruments through OCI	298.30	(63.30)	235.00	-	-	-
b) Items that will be reclassified to Profit or Loss						
(i) Effective portion of Cash flow Hedges	(37.60)	9.46	(28.14)	193.87	(48.79)	145.08
	<b>255.37</b>	<b>(52.50)</b>	<b>202.87</b>	<b>193.08</b>	<b>(48.59)</b>	<b>144.49</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 Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Profit before tax	2,156.29	1,899.07
Indian statutory income tax rate (%)	25.168%	25.168%
Expected income tax expenses	542.69	477.96
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expenses:-</b>		
Income exempt from tax	(2.22)	(2.23)
Deduction under Income tax Act	(3.01)	(1.32)
Impact of different tax rates	(3.38)	(17.58)
Permanent Difference	(0.75)	4.36
Effect of Current tax Related to Earlier years	(1.60)	-
Others	(3.81)	0.29
<b>Total Income Tax expenses</b>	<b>527.92</b>	<b>461.48</b>
<b>Effective Tax Rate</b>	<b>24.483%</b>	<b>24.300%</b>

#### ii) Deferred Tax Disclosure

##### (a) Movement in deferred tax balances

(₹ in Crores)

Particulars	Net balance 1 <sup>st</sup> April, 2024	Recognised in profit or loss	Recognised in OCI	As at 31 <sup>st</sup> March, 2025
				Net Deferred tax assets/ (liabilities)
Property, Plant and Equipment	(267.57)	(35.47)	-	(303.04)
Investments	(54.72)	(19.36)	-	(74.08)
Employee benefits	10.03	1.96	1.34	13.33
Equity instruments	-	-	(63.30)	(63.30)
Cash Flow Hedge	(40.25)	-	9.46	(30.79)
Provision for Doubtful Advances	3.15	(0.05)	-	3.10
Other (Net)	-	(2.17)	-	(2.17)
<b>Deferred tax assets/(liabilities)</b>	<b>(349.36)</b>	<b>(55.09)</b>	<b>(52.50)</b>	<b>(456.95)</b>

## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 38 (Contd.)

(₹ in Crores)

Particulars	Net balance 1 <sup>st</sup> April, 2023	Recognised in profit or loss	Recognised in OCI	As at 31 <sup>st</sup> March, 2024 Net Deferred tax assets/ (liabilities)
Property, Plant and Equipment	(233.18)	(34.38)	-	(267.57)
Investments	(28.94)	(25.78)	-	(54.72)
Employee benefits	9.02	0.81	0.20	10.03
Cash Flow Hedge	8.54	-	(48.79)	(40.25)
Provision for Doubtful Advances	3.27	(0.12)	-	3.15
<b>Deferred tax assets/(liabilities)</b>	<b>(241.29)</b>	<b>(59.48)</b>	<b>(48.59)</b>	<b>(349.36)</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 Crores)

Particulars	As at 31 <sup>st</sup> March, 2025							
	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)	-	-	62.56	62.56	-	-	-	-
Mutual Fund	1,423.34	-	-	1,423.34	763.89	659.45	-	1,423.34
Debentures	264.68	-	-	264.68	246.99	17.69	-	264.68
Equities	188.60	523.46	-	712.06	188.60	-	523.46	712.06
Loans	-	-	9.70	9.70	-	-	-	-
Trade receivables	-	-	1,610.88	1,610.88	-	-	-	-
Other financial assets	-	-	17.85	17.85	-	-	-	-
Foreign exchange forward contracts	-	159.12	-	159.12	-	159.12	-	159.12
Preference shares, bonds and commercial papers	-	-	391.13	391.13	-	-	-	-
Alternate Investment Fund	451.87	-	-	451.87	-	451.87	-	451.87
Security deposit	-	-	19.86	19.86	-	-	-	-
<b>Total</b>	<b>2,328.49</b>	<b>682.58</b>	<b>2,111.98</b>	<b>5,123.05</b>	<b>1,199.48</b>	<b>1,288.13</b>	<b>523.46</b>	<b>3,011.07</b>
<b>Financial Liabilities:</b>								
Long-term borrowings (Including current maturity of Long-term borrowings)	-	-	721.95	721.95	-	-	-	-
Other financial liabilities (including Lease Liabilities)	-	-	287.73	287.73	-	-	-	-
Short-term borrowings	-	-	2,490.41	2,490.41	-	-	-	-
Trade payables	-	-	745.50	745.50	-	-	-	-
Foreign exchange forward contracts	-	36.83	-	36.83	-	36.83	-	36.83
<b>Total</b>	<b>-</b>	<b>36.83</b>	<b>4,245.59</b>	<b>4,282.42</b>	<b>-</b>	<b>36.83</b>	<b>-</b>	<b>36.83</b>



## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> 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)	-	-	53.04	53.04	-	-	-	-
Mutual Fund	1,208.88	-	-	1,208.88	568.24	640.64	-	1,208.88
Debentures	341.22	-	-	341.22	287.84	53.38	-	341.22
Equities	122.13	-	-	122.13	122.13	-	-	122.13
Loans	-	-	6.75	6.75	-	-	-	-
Trade receivables	-	-	1,543.34	1,543.34	-	-	-	-
Other financial assets	-	-	23.08	23.08	-	-	-	-
Foreign exchange forward contracts	-	182.95	-	182.95	-	182.95	-	182.95
Preference shares, bonds and commercial papers	-	-	455.46	455.46	-	-	-	-
Alternate Investment Fund	385.45	-	-	385.45	-	385.45	-	385.45
Security deposit	-	-	18.55	18.55	-	-	-	-
<b>Total</b>	<b>2,057.68</b>	<b>182.95</b>	<b>2,100.22</b>	<b>4,340.85</b>	<b>978.21</b>	<b>1,262.42</b>	<b>-</b>	<b>2,240.63</b>
<b>Financial Liabilities:</b>								
Long-term borrowings (Including current maturity of Long-term borrowings)	-	-	1,041.75	1,041.75	-	-	-	-
Other financial liabilities	-	-	251.15	251.15	-	-	-	-
Short-term borrowings	-	-	1,995.14	1,995.14	-	-	-	-
Trade payables	-	-	790.55	790.55	-	-	-	-
Foreign exchange forward contracts	-	23.06	-	23.06	-	23.06	-	23.06
<b>Total</b>	<b>-</b>	<b>23.06</b>	<b>4,078.59</b>	<b>4,101.65</b>	<b>-</b>	<b>23.06</b>	<b>-</b>	<b>23.06</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 un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable 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

# Notes forming part of the Standalone Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

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
<b>Level: 3</b>			
Unlisted Equity Instruments	Unobservable Inputs	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 and other receivables

Around 71% 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.

## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

##### Impairment

Provision for doubtful debts movement	(₹ in Crores)
<b>Balance as at 1<sup>st</sup> April, 2023</b>	-
Impairment loss recognised	1.00
Amounts written off	1.00
<b>Balance as at 31<sup>st</sup> March, 2024</b>	-
Impairment loss recognised	0.15
Amounts written off	0.15
<b>Balance as at 31<sup>st</sup> March, 2025</b>	-

##### Concentration of credit risk

At 31<sup>st</sup> March, 2025, the carrying amount of the Company's most significant customers is ₹ 271.42 Crores (PY ₹ 441.85 Crores)

##### 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 ₹ 16.50 Crores. Up to 31<sup>st</sup> March, 2025 the Company had recovered ₹ 4.28 Crores against this doubtful loan and as such the provision for such doubtful loan is reduced to ₹ 12.22 Crores as on 31<sup>st</sup> March, 2025. 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 institutions/companies.

##### 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 Company does not expect any losses from non-performance by these counter-parties.

##### Derivatives

The derivatives are entered into with 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 in 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 31<sup>st</sup> March, 2025, the Company had working capital of ₹ 1,356.19 Crores, including cash and cash equivalents of ₹ 56.55 Crores and highly marketable current investments of ₹ 1,702.78 Crores.

As at 31<sup>st</sup> March, 2024, the Company had working capital of ₹ 1,012.04 Crores, including cash and cash equivalents of ₹ 47.66 Crores and highly marketable current investments of ₹ 1,348.99 Crores.



## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

##### 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 Crores)

As at 31 <sup>st</sup> March, 2025	Carrying amount	Total	Contractual cash flows			
			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	369.30	369.30	-	369.30	-	-
Unsecured Long term loans and borrowings	18.00	18.00	-	-	-	18.00
Other financial liabilities	0.48	0.48	-	-	0.48	-
<b>Current</b>						
Secured Long term loans and borrowings	184.65	184.65	184.65	-	-	-
Unsecured Long term loans and borrowings	150.13	150.13	150.13	-	-	-
Unsecured Short term loans and borrowings	2,490.28	2,490.28	2,490.28	-	-	-
Trade and other payables	745.50	745.50	745.50	-	-	-
Capital creditors	154.08	154.08	154.08	-	-	-
Unpaid Dividend	2.81	2.81	2.81	-	-	-
Interest accrued but not due	3.11	3.11	3.11	-	-	-
Others	125.62	125.62	125.62	-	-	-
Financial / corporate guarantee in respect of loan taken by subsidiary *	-	64.62	64.62	-	-	-
<b>Derivative financial liabilities</b>						
<b>Non current</b>						
Forward exchanges contract	20.47	20.47	-	9.10	11.37	-
<b>Current</b>						
Forward exchanges contract	16.36	16.36	16.36	-	-	-

(₹ in Crores)

As at 31 <sup>st</sup> March, 2024	Carrying amount	Total	Contractual cash flows			
			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	541.31	541.31	-	180.44	360.87	-
Unsecured Long term loans and borrowings	150.13	150.13	-	150.13	-	-
Other financial liabilities	0.01	0.01	-	-	0.01	-
<b>Current</b>						
Unsecured Long term loans and borrowings	350.31	350.31	350.31	-	-	-
Unsecured Short term loans and borrowings	1,995.14	1,995.14	1,995.14	-	-	-
Trade and other payables	790.55	790.55	790.55	-	-	-
Capital creditors	142.05	142.05	142.05	-	-	-
Unpaid Dividend	3.01	3.01	3.01	-	-	-
Interest accrued but not due	4.05	4.05	4.05	-	-	-
Others	102.04	102.04	102.04	-	-	-
Financial / corporate guarantee in respect of loan taken by subsidiary *	-	62.84	62.84	-	-	-
<b>Derivative financial liabilities</b>						
<b>Non current</b>						
Forward exchanges contract	15.91	15.91	-	6.82	9.09	-
<b>Current</b>						
Forward exchanges contract	7.15	7.15	7.15	-	-	-



## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

\*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/purchases over the forthcoming financial years in advance. The Company 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 contract and cross currency forward contracts primarily to hedge foreign exchange. The Company 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 31<sup>st</sup> March, 2025**

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of highly probable forecasted sales transactions	Forward contract	USD	INR	294 Million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	INR	219 Million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	USD	346 Million	Sell
Hedges of highly probable forecasted purchases transactions	Forward contract	USD	INR	17 Million	Buy
Cross Currency swap	Currency swap	INR	EUR	17 Million	*
Cross Currency swap	Currency swap	INR	EUR	2 Million	**
Derivative	Derivative	EUR	USD	17 Million	Buy
Derivative	Derivative	EUR	INR	85 Million	Sell
Derivative	Derivative	USD	INR	79 Million	Sell

\* NCD liability of ₹ 150 Crores has been swapped to Euro - equivalent to 17 Million Euros

\*\* PCFC liability of ₹ 18 Crores has been swapped to Euro - equivalent to 2 Million Euros

## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

Following is the derivative financial instruments to hedge the foreign exchange rate risk As at 31<sup>st</sup> 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

#### 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 Crores)

Particulars	As at 31 <sup>st</sup> March, 2025			As at 31 <sup>st</sup> March, 2024		
	EUR	USD	Others	EUR	USD	Others
<b>Financial assets (A)</b>						
Trade receivables	888.25	382.45	-	750.56	483.05	-
Cash and cash equivalent	19.40	15.13	0.08	27.75	15.26	0.08
<b>Total (A)</b>	<b>907.65</b>	<b>397.58</b>	<b>0.08</b>	<b>778.31</b>	<b>498.31</b>	<b>0.08</b>
<b>Financial liabilities (B)</b>						
Secured Loans	553.95	-	-	541.31	-	-
Unsecured Loans	2,346.61	-	-	2,411.52	-	-
Interest on loans	3.10	-	-	4.05	-	-
Trade payables	157.02	99.94	1.39	176.80	82.51	1.86
Other - Capital Creditor	27.15	52.26	-	8.69	85.10	-
<b>Total (B)</b>	<b>3,087.83</b>	<b>152.20</b>	<b>1.39</b>	<b>3,142.37</b>	<b>167.61</b>	<b>1.86</b>
<b>Net statement of financial position exposure</b>	<b>(2,180.18)</b>	<b>245.38</b>	<b>(1.31)</b>	<b>(2,364.06)</b>	<b>330.70</b>	<b>(1.78)</b>

#### 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 date of statements of financial position.

(₹ in Crores)

31 <sup>st</sup> March, 2025	Profit/(Loss)		
	Strengthening/ Weakening %	Strengthening	Weakening
EUR	2%	(43.60)	43.60
USD	3%	7.36	(7.36)
Others	10%	(0.13)	0.13

(₹ in Crores)

31 <sup>st</sup> March, 2024	Profit/(Loss)		
	Strengthening/ Weakening %	Strengthening	Weakening
EUR	2%	(47.28)	47.28
USD	3%	9.92	(9.92)
Others	10%	(0.18)	0.18

(Note: The impact is indicated on the profit/loss and equity before tax basis)

# Notes forming part of the Standalone Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (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 market interest rates. Floating rate loans exposes the Company to fluctuations in cash flow due to changes in interest rates.

For details of the Company's short term and long-term loans and borrowings, including interest rate profiles.

(₹ in Crores)		
Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Fixed-rate Instruments</b>		
Financial Assets	536.82	564.69
Financial Liabilities	(1,936.94)	(1,970.37)
	<b>(1,400.12)</b>	<b>(1,405.68)</b>
<b>Variable-rate Instruments</b>		
Financial Liabilities	(1,275.29)	(1,066.09)
	<b>(1,275.29)</b>	<b>(1,066.09)</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 Crores)		
Particulars	Profit/(Loss)	
	100 bps increase	100 bps decrease
<b>As at 31<sup>st</sup> March, 2025</b>		
Variable-rate instruments	(12.75)	12.75
<b>Sensitivity (Net)</b>	<b>(12.75)</b>	<b>12.75</b>
<b>As at 31<sup>st</sup> March, 2024</b>		
Variable-rate instruments	(10.66)	10.66
<b>Sensitivity (Net)</b>	<b>(10.66)</b>	<b>10.66</b>

(Note: The impact is indicated on the profit/(loss) and equity before tax basis)

## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (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 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024. The column 'net amount' shows the impact on the company's balance sheet if all set-off rights were exercised.

(₹ in Crores)

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 31<sup>st</sup> March, 2025</b>						
<b>Financial assets</b>						
Derivative financial instruments	159.12	-	159.12	159.12	-	159.12
<b>Total</b>	<b>159.12</b>	<b>-</b>	<b>159.12</b>	<b>159.12</b>	<b>-</b>	<b>159.12</b>
<b>Financial liabilities</b>						
Derivative financial instruments	36.83	-	36.83	36.83	-	36.83
<b>Total</b>	<b>36.83</b>	<b>-</b>	<b>36.83</b>	<b>36.83</b>	<b>-</b>	<b>36.83</b>
<b>As at 31<sup>st</sup> March, 2024</b>						
<b>Financial assets</b>						
Derivative financial instruments	182.95	-	182.95	182.95	-	182.95
<b>Total</b>	<b>182.95</b>	<b>-</b>	<b>182.95</b>	<b>182.95</b>	<b>-</b>	<b>182.95</b>
<b>Financial liabilities</b>						
Derivative financial instruments	23.06	-	23.06	23.06	-	23.06
<b>Total</b>	<b>23.06</b>	<b>-</b>	<b>23.06</b>	<b>23.06</b>	<b>-</b>	<b>23.06</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 realisation 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<sup>st</sup> April, 2016.





## Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 40 HEDGE ACCOUNTING (Contd.)

#### Disclosure of effects of hedge accounting on financial position

As at 31<sup>st</sup> March, 2025

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 customised contracts transacted in the over-the-counter market.	Cash flow hedge

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

As at 31<sup>st</sup> March, 2025

Particulars	Notional principal amounts	Derivative Financial Instruments - Assets (₹ in Crores)	Derivative Financial Instruments - Liabilities (₹ in Crores)	Line item in Balance Sheet position where the hedging instrument is included	Maturity date	Average strike price/ rate
Foreign exchange forward contracts	565 Million EUR 294 Million USD	147.52	22.96	Nil	FY 2025-26 to FY 2029-30	1 EUR = ₹ 101.51 1 USD = ₹ 88.42 1 EUR = 1.14 USD
Cross Currency Swap	17 Million EUR	-	5.18	Nil	FY 2025-26	1 EUR = ₹ 87.02
Cross Currency Swap	2 Million EUR	-	0.33	Nil	FY 2025-26	1 EUR = ₹ 90.97
Derivative	85 Million EUR 79 Million USD	-	7.62	Nil	FY 2025-26 to FY 2029-30	1 EUR = ₹ 99.21 1 USD = ₹ 92.02
Derivative	17 Million EUR	11.53	-	Nil	FY 2025-26	1 EUR = 1 USD
Foreign exchange forward contracts	17 Million USD	0.08	0.74	Nil	FY 2025-26	1 USD = ₹ 85.98

Particulars	Change in fair value for the year	Change in fair Value for the year recognised in OCI (₹ in Crores)	Ineffectiveness recognised 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 contract	FY 2024-25	2.24	Nil	Not applicable	Nil	Not applicable
Cross Currency Swap	FY 2024-25	(7.19)	Nil	Not applicable	Nil	Not applicable
Cross Currency Swap	FY 2024-25	(0.33)	Nil	Not applicable	Nil	Not applicable
Derivative	FY 2024-25	(7.28)	Nil	Not applicable	Nil	Not applicable
Derivative	FY 2024-25	(27.79)	Nil	Not applicable	Nil	Not applicable
Foreign exchange forward contract	FY 2024-25	2.75	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 Crores)

Particulars	Movement in Cash flow hedge reserve	
	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Opening balance	119.65	(25.42)
<b>Effective portion of changes in fair value:</b>		
Foreign currency risk	(37.60)	193.87
<b>Net amount reclassified to profit or loss:</b>		
Foreign currency risk	-	-
Tax on movements on reserves during the year	9.46	(48.79)
<b>Closing balance</b>	<b>91.51</b>	<b>119.65</b>

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

## 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.

The Company's Net Debt to Equity ratio was as follows:

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Non-Current Borrowings	387.30	691.31
Current Borrowings	2,825.06	2,345.45
Current maturity of long-term debt	(0.13)	(0.31)
<b>Gross Debt</b>	<b>3,212.23</b>	<b>3,036.45</b>
Less - Cash and Cash Equivalents	56.55	47.66
Less - Current Investments	1,702.78	1,348.99
<b>Net Debt</b>	<b>1,452.90</b>	<b>1,639.80</b>
Total equity	10,383.83	8,861.89
Add/(Less): Hedging reserve	(91.51)	(119.65)
<b>Equity</b>	<b>10,292.32</b>	<b>8,742.54</b>
<b>Net Debt to Equity ratio</b>	<b>14%</b>	<b>19%</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 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Profit attributable to equity holders (₹ in Crores)	1,628.37	1,437.59
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>84.23</b>	<b>74.36</b>

## 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 & Director (Commercial) and 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, Devkinandan Plastics Pvt Ltd



## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 43 RELATED PARTY DISCLOSURES\* (Contd.)

The company has following subsidiary companies:

Name of subsidiary companies:	% of Holding
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.

@ w.e.f 21.06.2023 BKT Tires INC has merged with BKT EXIM US INC

@@ w.e.f 22.06.2023 name of BKT EXIM US INC was changed to BKT Tires INC

#### II Related Party Transactions \$

(₹ in Crores)

Transactions	Year Ended 31 <sup>st</sup> March, 2025			Year Ended 31 <sup>st</sup> March, 2024		
	Relatives of (KMP)	Other related Party	Subsidiaries	Relatives of (KMP)	Other related Party	Subsidiaries
Purchase of Goods/ Materials	-	27.29	-	-	0.22	-
Rent received	-	0.72	-	-	0.72	-
Recovery of Expenses Other related Party ₹ 31,822 (PY ₹ 36,380)	-	0.00	-	-	0.00	-
Sale of Assets	-	-	-	-	0.02	-
Rent Paid	3.72	-	-	3.72	-	-
Maintenance expenses	0.14	-	-	0.14	-	-
Remuneration	-	-	-	0.39	-	-
Meeting Fees	0.06	-	-	0.06	-	-
Advance Received against Sale of Investment property	-	-	-	1.98	-	-
Sale of Investment property	2.00	-	-	-	-	-
Marketing Service Expenses	-	-	371.01	-	-	341.05
Guarantee Commission Received	-	-	1.02	-	-	0.72
Sale of goods/materials	-	-	246.85	-	-	230.45
Guarantee given to Bank on behalf of subsidiary	-	-	64.62	-	-	62.84
Finance charges recover against Guarantee Commission	-	-	0.08	-	-	0.08
Dividend Received	-	-	-	-	-	1.55

(₹ in Crores)

Outstanding Balances	Key Management Personnel		Relatives of (KMP)		Subsidiaries		Other related Party	
	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Remuneration payable	84.07	73.54	-	-	-	-	-	-
Trade Receivables	-	-	-	-	144.56	144.37	-	-
Trade Payables	-	-	-	-	5.54	5.88	-	-
Income received in advance	-	-	-	1.98	-	-	-	-

#### III Key management personnel compensation\*\*\*

Key management personnel compensation comprised the following:

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Remuneration	99.36	86.79
Recovery of Expenses- ₹ 4,380 (PY ₹ 17,571)	0.00	0.00

# Notes forming part of the Standalone Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 43 RELATED PARTY DISCLOSURES\* (Contd.)

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

(₹ in Crores)

Transactions	Year Ended 31 <sup>st</sup> March, 2025			Year Ended 31 <sup>st</sup> March, 2024		
	Relatives of (KMP)	Other related Party	Subsidiaries	Relatives of (KMP)	Other related Party	Subsidiaries
<b>Purchase of Goods/ Materials</b>						
Clothing Culture Pvt. Ltd	-	0.18	-	-	0.22	-
Devkinandan Plastics Pvt Ltd	-	27.11	-	-	-	-
<b>Rent received</b>						
Clothing Culture Pvt. Ltd	-	0.72	-	-	0.72	-
<b>Recovery of Expenses</b>						
Clothing Culture Pvt. Ltd - Other related Party ₹ 31,822 (PY ₹ 36,380)	-	0.00	-	-	0.00	-
<b>Sale of Assets</b>						
Clothing Culture Pvt. Ltd	-	-	-	-	0.02	-
<b>Rent Paid</b>						
Mrs. Pooja Dhoot	1.67	-	-	1.67	-	-
Mrs. Khushboo Poddar	2.05	-	-	2.05	-	-
<b>Maintenance Expenses</b>						
Mrs. Pooja Dhoot	0.06	-	-	0.06	-	-
Mrs. Khushboo Poddar	0.08	-	-	0.08	-	-
<b>Advance Received against Sale of Investment property</b>						
Mrs. Pooja Dhoot	-	-	-	1.98	-	-
<b>Sale of Investment property</b>						
Mrs. Pooja Dhoot	2.00	-	-	-	-	-
<b>Meeting Fees</b>						
Mrs. Vijaylaxmi Poddar	0.06	-	-	0.06	-	-
<b>Remuneration</b>						
Mrs. Khushboo Poddar	-	-	-	0.39	-	-
<b>Marketing Service Expenses</b>						
BKT EUROPE S.R.L.	-	-	296.27	-	-	271.05
BKT (USA) INC	-	-	61.72	-	-	54.48
BKT TIRES (CANADA) INC.	-	-	13.02	-	-	15.52
<b>Sales of Goods/ Materials</b>						
BKT EUROPE S.R.L.	-	-	126.62	-	-	145.07
BKT TIRES INC. (upto 20.06.2023 step-down subsidiary)	-	-	-	-	-	21.42
BKT TIRES INC. (w.e.f 22.06.2023 subsidiary)	-	-	120.23	-	-	63.96
<b>Guarantee Commission Received</b>						
BKT EUROPE S.R.L.	-	-	0.55	-	-	0.38
BKT TIRES INC. (w.e.f 22.06.2023 subsidiary)	-	-	0.47	-	-	0.34
<b>Guarantee given to Bank on behalf of subsidiaries</b>						
BKT EUROPE S.R.L.	-	-	38.89	-	-	26.99
BKT TIRES INC. (w.e.f 22.06.2023 subsidiary)	-	-	25.73	-	-	35.85
<b>Finance charges recover against Guarantee Commission</b>						
BKT EUROPE S.R.L.	-	-	0.03	-	-	0.03
BKT TIRES INC. (w.e.f 22.06.2023 subsidiary)	-	-	0.05	-	-	0.05
<b>Dividend Received</b>						
BKT TIRES (CANADA) INC.	-	-	-	-	-	1.55



## Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 43 RELATED PARTY DISCLOSURES\* (Contd.)

(₹ in Crores)

Particulars	KMP		Relatives of (KMP)		Subsidiaries		Other related Party	
	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Remuneration payable**</b>								
Mr. Arvind Poddar	42.00	36.75	-	-	-	-	-	-
Mr. Rajiv Poddar	42.00	36.75	-	-	-	-	-	-
Mr. Vipul Shah	0.05	0.03	-	-	-	-	-	-
Mr. Madhusudan Bajaj	0.02	0.01	-	-	-	-	-	-
<b>Trade Receivables</b>								
BKT EUROPE S.R.L.	-	-	-	-	90.90	105.03	-	-
BKT TIRES INC. (w.e.f. 22.06.2023 subsidiary)	-	-	-	-	53.66	39.34	-	-
<b>Income Received in Advance</b>								
Mrs. Pooja Dhoot	-	-	-	1.98	-	-	-	-
<b>Trade Payables</b>								
BKT (USA) INC	-	-	-	-	4.25	4.15	-	-
BKT TIRES (CANADA) INC.	-	-	-	-	1.29	1.73	-	-

#### Key management personnel compensation comprised the following:

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>Remuneration</b>		
Mr. Arvind Poddar	47.54	42.29
Mr. Rajiv Poddar	46.42	41.17
Mr. Vipul Shah	0.98	0.92
Mr. Madhusudan Bajaj	4.42	2.41
<b>Recovery of Expenses</b>		
Mr. Rajiv Poddar- CY ₹ 4,380 (PY ₹ 17,571)	0.00	0.00

\*\*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 31<sup>st</sup> MARCH, 2025

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 years	1-2 years	2-3 Years	More than 3 Years	
MSE	29.34	-	-	-	29.34
Others	597.34	113.58	0.42	0.65	711.99
Dispute due MSE	-	-	-	-	-
Dispute due Others	1.54	-	0.01	2.62	4.17

### TRADE PAYABLE AGEING AS AT 31<sup>st</sup> MARCH, 2024

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 years	1-2 years	2-3 Years	More than 3 Years	
MSE	20.93	-	-	-	20.93
Others	758.16	5.75	1.11	0.50	765.52
Dispute due MSE	-	-	-	-	-
Dispute due Others	0.96	0.01	-	3.12	4.09



## Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 44 (Contd.)

As at 31<sup>st</sup> March, 2025, 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 Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
a) The principal amount remaining unpaid to any supplier at the end of the year (Including Capital Creditors of ₹ 17.13 Crores (PY ₹ 14.74 Crores))	46.47	35.67
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 Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Charge to the Statement of Profit and Loss based on contributions:</b>		
Superannuation	0.81	0.81
Employees' Provident fund	15.76	14.97

#### (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 31<sup>st</sup> March, 2025. 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.



## Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 45 EMPLOYEE BENEFIT OBLIGATIONS (Contd.)

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 Crores)

Particulars	As at 31 <sup>st</sup> March, 2025 Gratuity (Funded plan)	As at 31 <sup>st</sup> March, 2024 Gratuity (Funded plan)
<b>(i) Change in Defined Benefit Obligation</b>		
Opening defined benefit obligation	84.28	77.81
Amount recognised in profit and loss		
Current service cost	6.87	6.28
Past service cost	-	-
Interest cost	6.01	5.80
Amount recognised in other comprehensive income		
Actuarial loss/(gain) arising from:		
Demographic assumptions	(0.58)	-
Financial assumptions	6.50	2.44
Experience adjustment	(0.48)	(1.74)
Other		
Benefits paid	(6.27)	(6.31)
<b>Closing defined benefit obligation</b>	<b>96.33</b>	<b>84.28</b>
<b>(ii) Change in Fair Value of Assets</b>		
Opening fair value of plan assets	58.72	55.70
Amount recognised in profit and loss		
Interest income	4.17	4.15
Amount recognised in other comprehensive income		
Actuarial gain/(loss)		
Return on Plan Assets, Excluding Interest Income	0.11	(0.09)
Other		
Contributions by employer	2.07	5.27
Benefits paid	(6.27)	(6.31)
<b>Closing fair value of plan assets</b>	<b>58.80</b>	<b>58.72</b>
Actual return on Plan Assets	4.28	4.06
<b>(iii) Plan assets comprise the following</b>		
	<u>Unquoted</u>	<u>Unquoted</u>
Insurance fund (100%)	58.80	58.72
<b>(iv) Principal actuarial assumptions used</b>	%	%
Discount rate	6.78	7.21
Rate of employee turnover	For service 4 years and below 15.00% p.a. For service 5 years and above 5.00% p.a.	For service 4 years and below 10.00% p.a. For service 5 years and above 2.00% p.a.
Future Salary growth rate	9.00	8.50
Mortality rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
<b>(v) Amount recognised in the Balance Sheet</b>		
Present value of obligations as at year end	96.33	84.28
Fair value of plan assets as at year end	58.80	58.72
Net (asset)/liability recognised as at year end	<b>37.53</b>	<b>25.56</b>
Recognised under:		
Long-term provisions	37.53	25.56
	<b>37.53</b>	<b>25.56</b>

## Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 45 EMPLOYEE BENEFIT OBLIGATIONS (Contd.)

#### (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 Crores)

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement) - Gratuity	(8.21)	9.69	(8.49)	10.19
Employee turnover (1% movement) - Gratuity	(0.66)	0.70	(0.47)	0.52
Future salary growth (1% movement) - Gratuity	6.07	(5.95)	6.86	(6.75)

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 Crores)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>As at 31<sup>st</sup> March , 2025</b>					
Defined benefit obligations (Gratuity)	6.52	5.88	24.90	35.66	72.96
<b>Total</b>	<b>6.52</b>	<b>5.88</b>	<b>24.90</b>	<b>35.66</b>	<b>72.96</b>
<b>As at 31<sup>st</sup> March , 2024</b>					
Defined benefit obligations (Gratuity)	3.58	2.79	22.63	28.20	57.20
<b>Total</b>	<b>3.58</b>	<b>2.79</b>	<b>22.63</b>	<b>28.20</b>	<b>57.20</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 31<sup>st</sup> March, 2025 based on actuarial valuation using the projected accrued benefit method is ₹ 0.52 Crores. (PY ₹ 0.38 Crores).

### NOTE NO. 46 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(i) Contingent Liabilities</b>		
a) Claims against the Company not acknowledge as debts		
Disputed claims for excise, sales tax, customs and service tax	162.49	127.38
Disputed income tax demands	9.61	0.86
Others (Municipal, Gram panchayat tax, Electricity Duty etc.)	10.98	9.06
b) Guarantees given by the Company's bankers on behalf of the Company against the Company's Indemnity	101.27	86.24
c) Corporate Guarantee given by the Company:		
To the President of India through commissioner of Custom	461.84	484.05
To Bank against loan taken by subsidiary	37.55	35.85
d) Standby Letter of Credit issued by Company's banker for loan taken by subsidiary	27.07	26.99
<b>(ii) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	923.98	966.35



## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 47 REMUNERATION TO AUDITORS\*

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>a) Statutory Auditor</b>		
Audit Fees	0.77	0.66
Limited Review	0.04	0.04
Tax Audit	0.33	0.30
Transfer Pricing	0.05	0.04
	1.19	1.04
Income tax matters	0.38	0.33
Company Law Matters	0.05	0.30
	0.43	0.63
Other Services:		
Consolidation & Corporate Governance	0.11	0.09
Other Certification etc.	0.40	0.37
	0.51	0.46
<b>Total</b>	<b>2.13</b>	<b>2.13</b>
<b>b) Cost Auditor</b>		
Audit Fees	0.05	0.05
Reimbursement of expenses (CY ₹ 25,000)	0.00	-

\*Excluding GST

#### NOTE NO. 48 NATURE OF SECURITY IN RESPECT OF SECURED LOAN

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Term Loans from Bank:</b>		
Secured by first charge by way of hypothecation on all the movable assets of tire plant of Bhuj, Gujarat	553.95	541.31

#### NOTE NO. 49 TRADE RECEIVABLE AGEING AS AT 31<sup>ST</sup> MARCH, 2025

(₹ in Crores)

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	1,601.95	8.44	0.49	-	-	1,610.88
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 31<sup>ST</sup> MARCH, 2024

(₹ in Crores)

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	1,472.54	67.05	3.75	-	-	1,543.34
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	-	-	-	-	-	-

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2025

## NOTE NO. 50 DIVIDEND PAID AND PROPOSED

(₹ in Crores)

Particular	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>Dividend declared and paid during the year:</b>		
Final Dividend of ₹ 4.00 per share for FY 2023-24 (₹ 4.00 per share for FY 2022-23)	77.32	77.32
Interim dividend of ₹ 12.00 per share for FY 2024-25 (₹ 12.00 per share for FY 2023-24)	231.98	231.98
	<b>309.30</b>	<b>309.30</b>
<b>Proposed Dividends on equity shares:</b>		
Final Dividend recommended by the Board of Directors for the year ended 31 <sup>st</sup> March, 2025 ₹ 4 per share of ₹ 2 each (31 <sup>st</sup> March, 2024: ₹ 4.00 per share of ₹ 2 each) subject to approval of shareholders in the ensuing annual general meeting.	77.32	77.32

**Note:** Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as liability as at reporting date.

## NOTE NO. 51 CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITY

(₹ in Crores)

Sr. No	Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
1	Amount required to be spent by the Company during the year	32.94	31.34
2	Opening Shortfall/(Surplus) (if any) (PY ₹ 6,617)	(2.73)	(0.00)
3	Amount of expenditure incurred on		
	i) Construction/acquisition of any assets	11.71	21.53
	ii) On purpose of other than (i) above	9.81	12.54
4	Shortfall/(Surplus) at the end of the year *	8.69	(2.73)
5	Reason for shortfall	Ongoing Project	-
6	Nature of CSR activities - Healthcare, Education and Rural development		
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard:	-	-

\*The unspent corporate social responsibility amount of ₹ 8.69 Crores has been deposited in special bank account within a period of 30 days from the end of relevant Financial Year.

## NOTE NO. 52 RATIOS

Sr. No.	Particulars	Numerator	Denominator	Year Ended		Variance %	Remarks for variance more than 25%
				31 <sup>st</sup> March, 2025	31 <sup>st</sup> March, 2024		
1	Current Ratio (In times)	Current Assets	Current Liabilities	1.33	1.28	3.36	
2	Debt-Equity Ratio (In times)	Total Debt	Shareholder's Equity	0.31	0.34	(9.73)	
3	Debt Service Coverage Ratio (In times)	Earnings available for debt service	Debt Service	6.52	130.46	(95.00)	There has been principal payment of term loan
4	Return on Equity (ROE) (%)	Net Profits after taxes	Average Shareholder's Equity	16.92	17.48	(3.18)	
5	Inventory Turnover (In times)	Cost of goods sold	Average Inventories	10.40	10.26	1.33	
6	Trade receivables Turnover (In times)	Net Sales	Average Trade Receivables	6.55	6.60	(0.87)	
7	Trade Payables Turnover Ratio (In times)	Total Purchase	Average Trade Payables	9.79	11.52	(15.03)	
8	Net capital turnover ratio (In times)	Net Sales	Working Capital	8.72	11.21	(22.21)	
9	Operating Margin (%)	Operating Profit	Net Sales	16.92	16.90	0.15	
10	Net profit ratio (%)	Net Profit	Net Sales	15.77	15.57	1.32	
11	Return on capital employed (ROCE) (%)	Earning before interest and taxes	Capital Employed	16.26	16.42	(0.98)	
12	Return on investment (%)	Income generated from investments	Average Investments	19.75	11.26	75.44	There has been increase in cash flow during the year
13	Interest coverage ratio (In times)	Earnings before interest and taxes (EBIT)	Finance Cost	18.22	18.43	(1.15)	





## Notes forming part of the Standalone Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### 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 Registrar of Companies 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 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)

#### NOTE NO. 54

The Hon'ble National Company Law Tribunal, Mumbai bench ('NCLT') has sanctioned the Scheme of Amalgamation of BKT Tyres Limited with Balkrishna Industries Limited ('Scheme') on 25<sup>th</sup> March, 2025, the appointed date of the scheme being 1<sup>st</sup> April, 2024. The effect of the Scheme has been considered in these financial statements for the year ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024.

#### 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 STANDALONE FINANCIAL STATEMENTS

As per our report of even date attached

For and on behalf of the Board of Directors

**For JAYANTILAL THAKKAR & CO.**

Chartered Accountants  
(Firm Reg. no. 104133W)

**ARVIND PODDAR**

Chairman & Managing Director

**RAJIV PODDAR**

Joint Managing Director

**VIRAL A. MERCHANT**

Partner  
Membership No.116279

Place: Mumbai

Dated: 23<sup>rd</sup> May, 2025

**VIPUL SHAH**

Director & Company Secretary

Place: Mumbai

Dated: 23<sup>rd</sup> May, 2025

**MADHUSUDAN BAJAJ**

Sr. President & Director (Commercial) and CFO

# Independent Auditor's 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, 2025, 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 material 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, 2025, 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 Auditors' 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	
<b>1. Capitalisation of Property, Plant and Equipment</b>	
During the year ended 31 <sup>st</sup> March, 2025, the Group has incurred significant capital expenditure. Further the total additions to property, plant and equipment at various locations of the Company was ₹1,338.02 Crores in the current year. 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.	
As a result, the aforesaid matter was determined to be a key audit matter.	
(Refer note no. 2 to the consolidated financial statements.)	

How our audit addressed the matter	
<b>Principal Audit Procedures</b>	
Our audit procedures included the following substantive procedures:	
<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 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> <li>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.</li> </ul>	



## Independent Auditor's Report

### The key audit matters

#### 2. Contingent Liabilities

The Holding Company is exposed to variety of different laws, regulations and interpretations thereof. Consequently, in the normal course of business, Provisions and Contingent Liabilities may arise from legal proceedings, constructive obligations and commercial claims.

- Management applies significant judgement when considering whether and how much to provide for the potential exposure of each matter.
- These estimates could change substantially over time as new facts emerge as each legal case or matters progresses.
- Given the different views possible, basis the interpretations, complexity and the magnitude of potential exposures and the judgement necessary to estimate the amount of provision required or determine required disclosures.

As a result, the aforesaid matter was determined to be a key audit matter.

(Refer note no. 46(i) to the consolidated financial statements.)

#### 3. Hedge Accounting

We have identified above as Key Audit Matter as hedge accounting has resulted into significant impact on the Holding Company's financial statements coupled with complexity of its accounting, calculations and complex/ numerous assumptions taken for establishing hedge relationship. Mark to market gain/loss pertaining to these derivative contracts are recognised in other comprehensive income.

(Refer note no. 40 to the consolidated financial statements.)

### 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 Auditors' 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

### How our audit addressed the matter

#### Principal Audit Procedures

Our audit procedures included the following substantive procedures:

- We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Holding Company's controls over the recording and reassessment of uncertain legal positions, claims and contingent liabilities.
- We held discussions with senior management including the person responsible for legal and compliance to obtain an understanding of the factors considered by management in classification of the matter as 'probable', 'possible' and 'remote'.
- Examined the Holding Company's legal expenses on sample basis and read the minutes of the board meetings in order to ensure completeness.
- With respect to tax matters, involving our tax specialists, and discussing with the Company's tax officers, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws.
- Assessing the decisions and rationale for provisions held or for decisions not to record provisions or make disclosures.
- For those matters where management concluded that no provisions should be recorded, considering the adequacy and completeness of the Holding Company's disclosures.

#### Principal Audit Procedures

Our audit procedures included the following substantive procedures:

- Obtained an understanding of management's controls over recording of derivative transactions and application of hedge accounting.
- Tested the accuracy and completeness of derivative transactions.
- We have relied on the valuation report evaluating the appropriateness of the valuation methodologies applied and tested on sample basis the valuation of the derivative financial instruments.
- Validated that the derivative financial instruments qualify for hedge accounting and tested accuracy of hedge effectiveness and ineffectiveness on sample basis.

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 Auditors' 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 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.

## Independent Auditor's Report

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) ₹ 352.40 Crores, total income of (before consolidation adjustments) ₹ 655.76 Crores, total net profit after tax of (before consolidation adjustments) ₹ 26.21 Crores, total comprehensive income of (before consolidation adjustments) ₹ 11.46 Crores and net cash inflow/(outflow) of (before consolidation adjustments) ₹ (3.27) Crores for the year ended on 31<sup>st</sup> March, 2025, as considered in the consolidated financial statements. These financial statements have been audited 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, as on 31<sup>st</sup> March, 2025 and taken on record by the Board of Directors, none of the directors of the Holding Company is disqualified as on 31<sup>st</sup> March, 2025 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 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.
- 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 consolidated financial statements disclose the impact of pending litigations as at 31<sup>st</sup> March, 2025 on the consolidated financial position of the Group.
  - ii. the Holding 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 to the Investor Education and Protection Fund by the Holding Company during the year ended 31<sup>st</sup> March, 2025.
  - iv. (a) The Management of the Holding Company, 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 Management of the Holding Company, 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 Holding Company

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 Holding 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. Based on our examination which included test checks, the Holding Company has used accounting software for maintaining its books of account for the financial year ended 31<sup>st</sup> March, 2025 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 and the audit trail has been preserved by the Holding Company as per the statutory requirements for record retention.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditors' 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 Auditors' report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company has only foreign Subsidiaries hence reporting under the said clause of the order is not applicable.

**For JAYANTILAL THAKKAR & CO.**  
 CHARTERED ACCOUNTANTS  
 (FIRM REG. NO. 104133W)

**VIRAL A. MERCHANT**  
 PARTNER

MEMBERSHIP NO. 116279  
 UDIN: 25116279BMJBB7197

Place: Mumbai  
 Dated: 23<sup>rd</sup> May, 2025

## Independent Auditor's Report

### Annexure - A to the Independent Auditor's 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, 2025, we have audited the internal financial controls over financial reporting of Balkrishna Industries Limited ("the Holding Company").

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Board of Directors of the Holding Company, 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 Holding 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 Holding Company, 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 Auditors' 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 Holding Company.

#### **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.

Place: Mumbai  
Dated: 23<sup>rd</sup> May, 2025

## OPINION

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company, have, in all material respects, an internal financial controls with reference to financial statements as at 31<sup>st</sup> March, 2025, 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: 25116279BMJBBB7197



# Consolidated Balance Sheet

as at 31<sup>st</sup> March, 2025

(₹ in Crores)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>I ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	6,856.15	6,231.93
(b) Capital Work-in-Progress	2A	985.95	944.43
(c) Investment Property	3	61.24	64.25
(d) Intangible Assets	4	3.73	2.00
(e) Right-of-use assets	4A	19.92	19.30
(f) Financial Assets			
i) Investments	5	1,561.57	1,336.66
ii) Other Financial Assets	6	105.98	155.08
(g) Income tax Assets (Net)	7	15.76	10.12
(h) Other Non-Current Assets	8	452.96	276.71
<b>TOTAL NON-CURRENT ASSETS</b>		<b>10,063.26</b>	<b>9,040.48</b>
<b>2 CURRENT ASSETS</b>			
(a) Inventories	9	1,781.93	1,331.53
(b) Financial Assets			
i) Investments	10	1,702.78	1,348.99
ii) Trade Receivables	11	1,494.54	1,445.43
iii) Cash and Cash Equivalents	12	80.24	74.62
iv) Other Bank Balances	13	6.01	5.38
v) Loans	14	9.70	6.75
vi) Other Financial Assets	15	90.90	69.55
(c) Other Current Assets	16	405.30	361.81
<b>TOTAL CURRENT ASSETS</b>		<b>5,571.40</b>	<b>4,644.06</b>
<b>TOTAL ASSETS</b>		<b>15,634.66</b>	<b>13,684.54</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Share Capital	17	38.66	38.66
(b) Other Equity	18	10,348.94	8,815.16
<b>TOTAL EQUITY</b>		<b>10,387.60</b>	<b>8,853.82</b>
<b>LIABILITIES</b>			
<b>1 NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
i) Borrowings	19	387.30	691.44
ii) Lease Liabilities	19A	4.55	4.01
iii) Other Financial Liabilities	20	20.96	15.92
(b) Provisions	21	48.36	34.72
(c) Deferred Tax Liabilities (Net)	22	456.30	349.00
(d) Other Non-Current Liabilities	23	102.94	75.19
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,020.41</b>	<b>1,170.28</b>
<b>2 CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
i) Borrowings	24	2,875.25	2,403.99
ii) Lease Liabilities	24A	0.35	-
iii) Trade Payable			
Total outstanding due of Micro and Small Enterprise	25	29.34	20.93
Total outstanding due of creditors Other than Micro and Small Enterprise	25	724.59	787.26
iv) Other Financial Liabilities	26	301.98	258.30
(b) Other Current Liabilities	27	290.07	185.53
(c) Provisions	28	5.07	4.43
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,226.65</b>	<b>3,660.44</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15,634.66</b>	<b>13,684.54</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

As per our report of even date attached

For and on behalf of the Board of Directors

**For JAYANTILAL THAKKAR & CO.**

Chartered Accountants  
(Firm Reg. No. 104133W)

**ARVIND PODDAR**

Chairman & Managing Director

**RAJIV PODDAR**

Joint Managing Director

**VIRAL A. MERCHANT**

Partner  
Membership No.116279

Place: Mumbai  
Dated: 23<sup>rd</sup> May, 2025

**VIPUL SHAH**

Director & Company Secretary

Place: Mumbai  
Dated: 23<sup>rd</sup> May, 2025

**MADHUSUDAN BAJAJ**

Sr. President & Director (Commercial) and CFO

# Consolidated Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2025

(₹ in Crores)

Particulars	Note No.	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>I Revenue From Operations</b>	29	10,446.95	9,368.87
<b>II Other Income</b>	30	538.79	449.22
<b>III Total Income (I+II)</b>		<b>10,985.74</b>	<b>9,818.09</b>
<b>IV Expenses:</b>			
Cost of Materials Consumed	31	4,985.43	4,404.45
Purchases of Stock-in-Trade	32	135.63	119.85
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	33	(60.60)	(32.88)
Employee Benefits Expense	34	554.36	499.51
Finance Cost	35	128.34	112.87
Depreciation and Amortisation Expense	36	680.66	650.72
Other Expenses	37	2,374.53	2,122.57
<b>Total Expenses</b>		<b>8,798.35</b>	<b>7,877.09</b>
<b>V Profit Before Tax (III-IV)</b>		<b>2,187.39</b>	<b>1,941.00</b>
<b>VI Tax Expenses</b>			
Current tax		477.62	406.02
Short/(Excess) provision of earlier years		-	5.03
Deferred tax		54.81	58.46
<b>Total Tax Expenses</b>		<b>532.43</b>	<b>469.51</b>
<b>VII Profit After Tax (V-VI)</b>		<b>1,654.96</b>	<b>1,471.49</b>
<b>VIII Other Comprehensive Income</b>			
1 Items that will not be reclassified to profit or loss:			
i) Remeasurements of Defined Benefit Plans		(5.33)	(0.79)
ii) Income Tax		1.34	0.20
iii) Equity Instruments Through Other Comprehensive Income		298.30	-
iv) Income Tax		(63.30)	-
2 Items that will be reclassified to profit or loss:			
i) The effective portion of gains and (losses) on hedging instruments in a cash flow hedge		(37.60)	193.87
ii) Income Tax		9.46	(48.79)
iii) Exchange differences on translation of financial statements of foreign operation		(14.74)	(9.79)
<b>Total Other Comprehensive Income (1+2)</b>		<b>188.13</b>	<b>134.70</b>
<b>IX Total Comprehensive Income (VII+VIII)</b>		<b>1,843.09</b>	<b>1,606.19</b>
<b>Attributable to:</b>			
Owners of the company		1,608.09	1,606.19
Non-Controlling interest		-	-
<b>X Earnings per equity share:</b>			
Basic and Diluted	42	85.61	76.12

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

As per our report of even date attached

For and on behalf of the Board of Directors

**For JAYANTILAL THAKKAR & CO.**

Chartered Accountants  
(Firm Reg. no. 104133W)

**ARVIND PODDAR**

Chairman & Managing Director

**RAJIV PODDAR**

Joint Managing Director

**VIRAL A. MERCHANT**

Partner  
Membership No.116279

Place: Mumbai

Dated: 23<sup>rd</sup> May, 2025

**VIPUL SHAH**

Director & Company Secretary

Place: Mumbai

Dated: 23<sup>rd</sup> May, 2025

**MADHUSUDAN BAJAJ**

Sr. President & Director (Commercial) and CFO



# Consolidated Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2025

## (A) EQUITY SHARE CAPITAL

Particulars	No. of Shares	Amount (₹ in Crores)
Balance as at 1 <sup>st</sup> April, 2023	19,33,17,190	38.66
Changes in equity share capital	-	-
Balance as at 31 <sup>st</sup> March, 2024	19,33,17,190	38.66
Changes in equity share capital	-	-
<b>Balance as at 31<sup>st</sup> March, 2025</b>	<b>19,33,17,190</b>	<b>38.66</b>

## (B) OTHER EQUITY

(B) OTHER EQUITY						(₹ in Crores)	
Particulars	Reserves and Surplus		Retained Earnings	Statement of Other Comprehensive Income		Foreign Currency Translation Reserve	Total Other Equity
	Capital Reserve	General Reserve		Remeasurements of the Net Defined Benefit Plans	Effective portion of Cash Flow Hedges		
Balance as at 1 <sup>st</sup> April, 2023	0.34	4,800.00	2,810.38	(14.81)	(25.42)	(52.22)	7,518.27
Total Comprehensive							
Profit for the year	-	-	1,471.49	-	-	-	1,471.49
Other comprehensive income for the year	-	-	-	(0.59)	145.07	(9.79)	134.69
Transactions with owners of the company							
Interim Dividend on Equity Shares	-	-	(231.98)	-	-	-	(231.98)
Dividend on Equity Shares	-	-	(77.32)	-	-	-	(77.32)
Transferred to General Reserve	-	-	(400.00)	-	-	-	(400.00)
Transferred from Retained Earnings	-	400.00	-	-	-	-	400.00
Balance as at 31 <sup>st</sup> March, 2024	0.34	5,200.00	3,572.57	(15.40)	119.65	(62.01)	8,815.15
Total Comprehensive							
Profit for the year	-	-	1,654.96	-	-	-	1,654.96
Other comprehensive income for the year	-	-	-	(3.99)	(28.14)	(14.74)	188.13
Transactions with owners of the company							
Interim Dividend on Equity Shares	-	-	(231.98)	-	-	-	(231.98)
Dividend on Equity Shares	-	-	(77.32)	-	-	-	(77.32)
Transferred to General Reserve	-	-	(500.00)	-	-	-	(500.00)
Transferred from Retained Earnings	-	500.00	-	-	-	-	500.00
Balance as at 31 <sup>st</sup> March, 2025	0.34	5,700.00	4,418.23	(19.39)	91.51	(76.75)	10,348.94

## NOTES FORMING PART OF THE CONSOLIDATED 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: 23<sup>rd</sup> May, 2025

For and on behalf of the Board of Directors

**ARVIND PODDAR**

Chairman & Managing Director

**VIPUL SHAH**

Director & Company Secretary

Place: Mumbai

Dated: 23<sup>rd</sup> May, 2025

**RAJIV PODDAR**

Joint Managing Director

**MADHUSUDAN BAJAJ**

Sr. President & Director (Commercial) and CFO



# Consolidated Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2025

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before Tax	2,187.39	1,941.00
Adjustment for:		
Depreciation and Amortisation	680.66	650.72
Withdrawal of Provision of Doubtful Loan	(0.20)	(0.50)
Mark to market gain on fair valuation of foreign exchange forward contracts	0.46	-
Net mark to market (Gain)/Loss on investments	(89.41)	(171.88)
Income from Investments	(93.82)	(36.82)
Finance Cost	128.34	112.87
Interest Income (including on Investments)	(63.36)	(47.40)
(Profit) /Loss on Sale of Property, Plant and Equipment	(9.68)	(9.54)
Property, Plant and Equipment Discarded	1.38	0.17
Unrealised Foreign Exchange differences (Gain)/Loss	(21.46)	(65.00)
Actuarial gains/(losses) reclassified to OCI	(5.33)	(0.79)
Export Incentive on account of EPCG (Benefit)/Utilised	(23.90)	(20.93)
	<b>503.68</b>	<b>410.90</b>
<b>Operating profit before working capital changes</b>	<b>2,691.07</b>	<b>2,351.90</b>
Adjustment for:		
Trade and other receivables	104.72	(228.48)
Other Financial Assets	(0.63)	1.65
Inventories	(450.40)	335.84
Trade payables	(97.34)	44.59
	<b>(443.65)</b>	<b>153.60</b>
<b>Cash generated from operations</b>	<b>2,247.42</b>	<b>2,505.50</b>
Direct taxes paid	(483.28)	(423.51)
<b>Net cash from Operating Activities*</b>	<b>1,764.14</b>	<b>2,081.99</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, Plant and equipment	(1,483.00)	(1,098.55)
Sale of Property, Plant and equipment	34.59	17.20
Purchase of Investments	(2,776.03)	(2,619.00)
Sale of Investments	2,600.00	2,161.57
Inter Corporate Loan Refund Received	0.20	0.50
Interest received	66.34	47.36
Income Received on Investments	78.51	15.38
<b>Net cash used in Investing Activities</b>	<b>(1,479.39)</b>	<b>(1,475.54)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds /(Repayment) from Short-Term Borrowings (Net)	1,329.29	(335.80)
Proceeds from Long-Term Borrowings	2,461.06	2,944.39
Repayment of Long-Term Borrowings	(3,647.06)	(2,798.83)
Dividend paid (including tax thereon)	(309.51)	(309.45)
Lease Liability paid	(0.10)	-
Issue of share capital	-	-
Finance cost paid	(112.69)	(101.54)
<b>Net cash used in Financing Activities</b>	<b>(279.01)</b>	<b>(601.23)</b>
<b>Net Increase/(Decrease) in cash and cash equivalent</b>	<b>5.74</b>	<b>5.22</b>
Exchange difference on cash and cash equivalent	(0.12)	0.10
Cash and cash equivalent as at the beginning of the year	74.62	69.30
Cash and cash equivalent as at the end of the year	80.24	74.62

\* Includes amount spent in cash towards Corporate Social Responsibilities ₹ 21.52 Crores (PY ₹ 34.07 Crores).

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 CONSOLIDATED FINANCIAL STATEMENTS

As per our report of even date attached

For and on behalf of the Board of Directors

**For JAYANTILAL THAKKAR & CO.**

Chartered Accountants  
(Firm Reg. no. 104133W)

**ARVIND PODDAR**

Chairman & Managing Director

**RAJIV PODDAR**

Joint Managing Director

**VIRAL A. MERCHANT**

Partner  
Membership No.116279

Place: Mumbai  
Dated: 23<sup>rd</sup> May, 2025

**VIPUL SHAH**

Director & Company Secretary

Place: Mumbai  
Dated: 23<sup>rd</sup> May, 2025

**MADHUSUDAN BAJAJ**

Sr. President & Director (Commercial) and CFO



# Notes forming part of the Consolidated Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### 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 Sambhajnagar, Maharashtra, India.

These consolidated financial statements comprise the Company and its subsidiaries (collectively the 'Group' and individually 'Group companies').

The Group is engaged mainly in the business of manufacturing and selling of "Off-Highway Tires" (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) Presentation of consolidated financial statements

The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Consolidated Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of the consolidated financial statements along with the other notes required to be disclosed under Ind AS and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Amounts in the consolidated financial statements are presented in Indian Rupees in crore rounded off up to two decimal places as required by Schedule III, unless otherwise stated.

#### (c) 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 EUROPE S.R.L.	Italy
BKT TIRES (CANADA) INC.	Canada
BKT USA INC.	USA
BKT TIRES INC.	USA

# Notes forming part of the Consolidated Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### (d) 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).

### (e) 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 recognised; 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 recognised 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 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.



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### (f) 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:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- 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 recognised 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 (other than leasehold land) has been provided based on useful life of the assets in accordance with Schedule II to the Companies Act, 2013, on Straight Line Method except in respect of Plant and Equipment where the useful life is considered differently based on an independent technical evaluation as 10 to 15 years.

Leasehold land are amortised over the lease period.

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

#### (g) 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.



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

Investment properties generally have a useful life of 30 years for factory building and 60 years for other than factory building.

Asset Class	Useful Life
Investment properties	60 Years

#### (h) Intangible assets

Intangible assets comprise application software purchased, which are not an integral part of the related hardware, and are amortised on a straight line basis over a period of useful life, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

Subsequent expenditure is capitalised 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 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 Year to 6 Years

#### (i) 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 amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

#### (j) 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.

#### (k) 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.

Asset Class	Useful Life
Land	60 Years to 100 Years
Buildings	1 Year to 4 Years
Vehicles	1 Year to 4 Years

## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### (l) 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 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:

- a) 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
- b) 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).

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.

#### (m) 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.

#### (n) 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.

#### (o) 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.

# Notes forming part of the Consolidated Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### (p) 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 (FVTOCI) 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.
- 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 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.

## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

- 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:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- b) 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 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 recognised 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 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.

##### **De-recognition**

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.

# Notes forming part of the Consolidated Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### Offsetting of financial instruments<sup>4</sup>

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 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 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.

## (q) 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

Group's contribution for the year paid/payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss

The Group'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 Group made contribution on monthly basis.

### iii. Defined benefit plans

Group'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.



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### (r) 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.

The Group records a provision for decommissioning costs towards site restoration activity. Decommissioning costs are provided at the present value of future expenditure using a current pre-tax rate expected to be incurred to fulfil decommissioning obligations and are recognised as part of the cost of the underlying assets. Any change in the present value of the expenditure, other than unwinding of discount on the provision, is reflected as adjustment to the provision and the corresponding asset. The change in the provision due to the unwinding of discount is recognised in the Statement of Profit and Loss.

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 Group 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.

#### (s) 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.

#### (t) 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.

#### (u) 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 capitalised.

## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

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 capitalised 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 categorised 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 categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

#### (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, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and lease back transactions, applicable from 1<sup>st</sup> April, 2024. The Group has assessed that there is no significant impact on its financial statements.

On 9<sup>th</sup> May, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after 1<sup>st</sup> April, 2025. The Group is currently assessing the probable impact of these amendments on its financial statements.

## Notes forming part of the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 2 PROPERTY, PLANT AND EQUIPMENTS AS AT 31<sup>ST</sup> MARCH, 2025

Particulars	Gross Block (At Cost)			Depreciation			(₹ in Crores)
	Balance As at 1 <sup>st</sup> April, 2024	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2025	*For the Year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2025
<b>Tangible assets</b>							
(a) Freehold Land	128.96	21.53	0.29	150.20	-	-	150.20
(b) Buildings	2,095.75	123.47	0.04	2,219.18	75.25	0.01	1,765.06
(c) Plant and Equipment	6,919.76	1,087.25	38.18	7,968.83	541.31	14.80	4,519.49
(d) Furniture and Fixtures	120.69	1.19	0.02	121.86	11.66	0.02	44.77
(e) Vehicles	45.17	19.01	2.89	61.29	5.66	1.83	36.66
(f) Office Equipment	34.31	1.25	0.24	35.32	4.25	0.19	9.46
(g) Others:							
Electric Installations	427.87	64.91	0.39	492.39	38.25	0.38	288.38
Air Conditioners	22.77	0.86	0.94	22.69	2.51	0.94	6.55
Computer	31.16	18.55	0.42	49.29	7.04	0.40	20.79
Leasehold improvement	51.82	-	-	51.82	3.03	-	14.79
<b>Total</b>	<b>9,878.26</b>	<b>1,338.02</b>	<b>43.41</b>	<b>11,172.87</b>	<b>688.96</b>	<b>18.57</b>	<b>6,856.15</b>

\* Including Depreciation capitalised ₹ 11.10 Crores

### PROPERTY, PLANT AND EQUIPMENTS AS AT 31<sup>ST</sup> MARCH, 2024

Particulars	Gross Block (At Cost)			Depreciation			(₹ in Crores)
	Balance As at 1 <sup>st</sup> April, 2023	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2024	*For the Year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2024
<b>Tangible assets</b>							
(a) Freehold Land	77.66	51.30	-	128.96	-	-	128.96
(b) Buildings	1,696.75	399.15	0.15	2,095.75	65.49	#0.00	1,716.87
(c) Plant and Equipment	5,916.56	1,010.54	7.34	6,919.76	523.01	7.16	3,996.93
(d) Furniture and Fixtures	100.92	19.93	0.16	120.69	11.10	0.16	55.24
(e) Vehicles	43.40	7.02	5.25	45.17	4.70	2.95	23.87
(f) Office Equipment	32.65	1.66	-	34.31	4.48	-	12.51
(g) Others:							
Electric Installations	330.22	98.28	0.63	427.87	35.78	0.61	261.73
Air Conditioners	18.12	4.65	-	22.77	2.34	-	8.20
Computer	28.94	2.82	0.60	31.16	5.69	0.60	9.30
Leasehold improvement	48.70	3.12	-	51.82	2.99	-	17.82
<b>Total</b>	<b>8,293.92</b>	<b>1,598.47</b>	<b>14.13</b>	<b>9,878.26</b>	<b>655.58</b>	<b>11.48</b>	<b>6,231.93</b>

\* Including Depreciation capitalised ₹ 7.15 Crores.

# ₹ 6,228



## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2025

### i) Amounts recognised in profit and loss for investment properties

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Rental income derived from investment properties	7.41	5.60
Direct operating expenses (including repair and maintenance) generating rental income	(0.10)	(0.10)
Direct operating expenses (including repair and maintenance) not generating rental income	(0.36)	(0.24)

### ii) Fair value

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Investment properties	218.21	230.51

### Estimation of fair value

The company obtains independent valuations for its investment properties from an independent registered valuer as defined under rule 2 of Companies (Registered Valuers & Valuation) Rules, 2017.

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 31<sup>ST</sup> MARCH, 2025

Particulars	Gross Block (At Cost)			Amortisation			(Net Block)
	Balance As at 1 <sup>st</sup> April, 2024	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2025	For the Year During the year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2025
Computer software	9.35	3.02	-	12.37	1.29	-	3.73
Trademark	0.10	-	-	0.10	-	-	-
<b>Total</b>	<b>9.45</b>	<b>3.02</b>	<b>-</b>	<b>12.47</b>	<b>1.29</b>	<b>-</b>	<b>3.73</b>

### INTANGIBLE ASSETS AS AT 31<sup>ST</sup> MARCH, 2024

Particulars	Gross Block (At Cost)			Amortisation			(Net Block)
	Balance As at 1 <sup>st</sup> April, 2023	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2024	For the Year During the year	Deductions During the year	Balance As at 31 <sup>st</sup> March, 2024
Computer software	7.85	1.50	-	9.35	0.78	-	2.00
Trademark	0.10	-	-	0.10	#0.00	-	-
<b>Total</b>	<b>7.95</b>	<b>1.50</b>	<b>-</b>	<b>9.45</b>	<b>0.78</b>	<b>-</b>	<b>2.00</b>

# ₹ 53,179



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### 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 its 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 9.00% (PY 8.70%).

Set out below are the carrying amounts of rights-of-use assets recognised and the movement during the period:  
(₹ in Crores)

Particulars	Land	Building	Vehicle	Total
<b>As at 1<sup>st</sup> April, 2023</b>	<b>15.58</b>	<b>4.70</b>	<b>0.04</b>	<b>20.32</b>
Addition/(Deduction) - Net	-	(0.76)	-	(0.76)
Less: Depreciation expenses	0.22	-	0.04	0.26
<b>As at 1<sup>st</sup> April, 2024</b>	<b>15.36</b>	<b>3.94</b>	<b>-</b>	<b>19.30</b>
Addition/(Deduction) - Net	-	0.95	-	0.95
Less: Depreciation expenses	0.22	0.11	-	0.33
<b>As at 31<sup>st</sup> March, 2025</b>	<b>15.14</b>	<b>4.78</b>	<b>-</b>	<b>19.92</b>

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Opening Balance	4.01	4.78
Addition/(Deduction) - Net	1.71	-
Accretion of Interest (PY ₹ 15,936)	0.04	0.00
Less: Payments	0.86	0.77
<b>Closing Balance</b>	<b>4.90</b>	<b>4.01</b>
Current	0.35	-
Non-Current	4.55	4.01

The following are the amounts recognised in profit and loss:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Depreciation expenses of right-of-use assets*	0.33	0.26
Interest expenses on lease liabilities (PY ₹ 15,936)	0.04	0.00
Expenses relating to short-term lease and low value leased (included in other expenses)	13.25	12.33
<b>Total amount recognised in profit and loss</b>	<b>13.62</b>	<b>12.59</b>

The Company had total cash outflow for lease of ₹ 14.11 Crores in 31<sup>st</sup> March, 2025 (PY ₹ 13.10 Crores).

\* Including depreciation capitalised ₹ 0.08 Crores (PY ₹ 0.08 Crores).

#### NOTE NO. 5 INVESTMENTS (NON-CURRENT)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
<b>A Investments at Cost</b>				
<b>a) Investment in Equity Shares</b>				
<b>Unquoted (Fully paid up Shares)</b>				
National Stock Exchange of India Limited of ₹ 1 each	-	-	4,14,000	101.10
BDR Pharmaceuticals International Private Limited of ₹ 10 each	-	-	725	9.93
Care Health Insurance Limited of ₹ 10 each	-	-	4,78,795	10.15
			-	<b>121.18</b>
<b>b) Investment in Preference Shares</b>				
<b>Unquoted</b>				
0.001% Series C Compulsorily Convertible Non-Cumulative Preference Shares of Vay Network Services Private Limited ₹ 2 each	11,190	0.94	11,190	0.94
0.0001% Series A&B Compulsorily Convertible Preference Shares of Newspace Research & Technologies Private Limited of ₹ 10 each	2,45,120	12.75	2,45,120	12.75



## Notes forming part of the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 5 INVESTMENTS (NON-CURRENT) (Contd.)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
0.01% Series B Compulsorily Convertible Non-Cumulative Preference Shares of Bombinate Technologies Private Limited ₹ 100 each	-	-	602	5.00
0.01 % Series A Compulsorily Convertible Non-Cumulative Preference Shares of Altigreen Propulsion Labs Private Limited of ₹ 100 each	1,356	2.00	1,356	2.00
0.001% Series C Compulsorily Convertible Non-Cumulative Preference Shares of Globalbees Brands Private Limited of ₹ 5 each	104	5.28	104	5.28
0.01% Series A1 Non-Cumulative Fully Mandatorily Compulsorily Convertible Preference Shares of BDR Pharmaceuticals International Private Limited of ₹ 20 each	-	-	369	5.05
Non-Convertible Non-Cumulative Redeemable Preference Shares Music Broadcast of ₹ 10 each	-	-	30,000	0.30
		<b>20.97</b>		<b>31.32</b>
<b>B Investment carried at fair value through other comprehensive income</b>				
<b>Investment in Equity Shares</b>				
<b>Unquoted</b>				
National Stock Exchange of India Limited of ₹ 1 each	32,07,150	500.32	-	-
BDR Pharmaceuticals International Private Limited of ₹ 10 each	1,094	15.24	-	-
Care Health Insurance Limited of ₹ 10 each	4,78,795	7.90	-	-
		<b>523.46</b>		<b>-</b>
<b>C Investment carried at amortised cost</b>				
<b>a) Investment in Preference Shares</b>				
<b>Unquoted (Fully paid up Shares)</b>				
9.58% Preference Shares of Mercedes-Benz Financial services India Private Limited of ₹ 10,00,000 each	200	20.66	-	-
		<b>20.66</b>		<b>-</b>
<b>Quoted</b>				
<b>b) Investment in Tax Free Bonds</b>				
7.07 % NABARD Tax Free Bonds of ₹10,00,000 each	-	-	550	55.60
7.14 % NHAI Tax Free Bond of ₹1,000 each	-	-	2,85,698	28.74
7.36% IIFC Tax Free Bond of ₹1,000 each	4,00,000	40.83	4,00,000	41.13
		<b>40.83</b>		<b>125.47</b>
<b>c) Investment in Government Bonds</b>				
7.18% Government of India Sovereign Bond ₹ 100 each	15,00,000	14.79	15,00,000	14.78
7.10% Government of India Sovereign Bond ₹ 100 each	5,00,000	5.13	-	-
7.23% Government of India Sovereign Bond ₹ 100 each	5,00,000	5.20	-	-
		<b>25.12</b>		<b>14.78</b>
<b>d) Investment in Perpetual Bonds</b>				
7.55 % SBI Perpetual Bond of ₹ 1,00,00,000 each	5	4.98	5	4.97
8.25 % BOB Perpetual Bond of ₹ 10,00,000 each	-	-	450	44.90
8.50 % BOB Perpetual Bond of ₹ 10,00,000 each	-	-	480	48.00
8.15 % BOB Perpetual Bond of ₹ 10,00,000 each	-	-	50	5.01
8.70 % HDB Perpetual Bond of ₹ 10,00,000 each	50	5.02	50	5.03
9.50 % Cholamandalam Investment & Finance Perpetual Bond of ₹ 1,00,00,000 each	16	16.27	-	-
		<b>26.27</b>		<b>107.91</b>

## Notes forming part of the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 5 INVESTMENTS (NON-CURRENT) (Contd.)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
<b>D Investment carried at fair value through Profit and Loss</b>				
<b>a) Investment in Non-Convertible Debenture/ Market Linked Debentures</b>				
<b>Quoted</b>				
Nuvama Wealth Finance Limited of ₹ 1,00,000 each	500	5.39	500	4.78
Shriram Finance Limited of ₹ 1,00,000 each	1,500	16.31	500	5.14
MAS Financial Services Limited of ₹ 1,00,000 each	1,000	9.87	-	-
Tata Capital Limited of ₹ 10,00,000 each	-	-	100	10.89
L&T Finance Limited of ₹ 10,00,000 each	-	-	250	27.11
Alpha Alternatives Financial Services Private Limited of ₹ 1,00,000 each	424	5.74	424	5.08
360 One Prime Limited of ₹ 1,00,000 each	1,000	12.30	1,000	10.77
9.35% Telangana State Industrial Infrastructure Corporation Limited of ₹ 1,00,000	1,000	10.34	-	-
		<b>59.95</b>		<b>63.77</b>
<b>Unquoted</b>				
Aventus Finance Private Limited of ₹ 10,00,000 each	-	-	300	30.37
Tenshi Pharmaceuticals Private Limited of ₹ 10,00,000 each	-	-	125	12.93
		<b>-</b>		<b>43.30</b>
<b>b) Investment in Alternate Investment Fund</b>				
<b>Unquoted</b>				
360 One Special Opportunities Fund Series 7 of ₹ 10 each	1,93,31,093	6.03	3,67,27,003	71.80
360 One India Private Equity Fund - Series 1A of ₹ 10 each	45,95,852	11.53	46,03,432	6.51
360 One Special Opportunities Fund Series 8 of ₹ 10 each	45,98,258	6.85	46,24,798	6.37
360 One Special Opportunities Fund of fund 1 of ₹ 10 each	90,27,646	12.65	90,27,646	11.49
360 One Special Opportunities Fund Series 10 of ₹ 10 each	49,34,458	8.08	49,66,529	6.60
360 One Commercial Yield Fund of ₹ 10 each	95,06,313	10.89	95,06,313	10.53
Ascartis (Erstwhile BPEA) Credit India Fund III of ₹ 100 each	13,81,500	15.05	11,47,500	12.34
Ascartis Credit Select Short-Term Income Fund I of ₹ 1,00,000 each	1,590	16.32	-	-
Chirate Ventures India Fund IV of ₹ 1,00,000 each	947	13.78	853	12.59
Chiratae Ventures India Fund V of ₹ 1,00,000 each	120	1.04	-	-
TVS Shriram Growth Fund 3 of ₹ 1,000 each	95,310	13.62	1,15,214	18.65
TVS Shriram Growth Fund 4 of ₹ 1,000 each	10,000	1.00	-	-
Inflexor Technology Fund of ₹ 1,00,000 each	346	3.24	291	2.91
Blume Ventures Fund IX of ₹ 100 each	4,72,878	10.02	5,00,000	9.96
Blume Ventures Fund IV of ₹ 100 each	3,00,000	3.30	2,15,000	2.16
Xponentia Opportunities Fund of ₹ 1,00,000 each	399	6.47	399	6.68
Aventus Future Leader Fund II of ₹ 1,00,000 each	500	6.36	415	4.35
Aventus Future Leader Fund III of ₹ 1,00,000 each	110	1.05	-	-
Multiples Private Equity Fund III of ₹ 100 each	4,94,077	5.68	4,65,209	5.07
Multiples Private Equity Fund IV of ₹ 100 each	3,88,815	3.78	73,610	0.72
Six Sense India Opportunities III of ₹ 1,000 each	1,87,774	26.04	2,00,000	23.78
3One4 Capital - Fund III of ₹ 1 each (PY of ₹ 1,00,000 each)	10,69,27,967	16.72	1,500	12.30
Trifecta Venture Debt Fund III of ₹ 100 each	19,88,200	19.99	18,38,200	18.86
Sageone - Flagship Growth 2 Fund of ₹ 1,000 each	97,836	14.57	97,836	13.97
White Oak India Equity Fund V of ₹ 10 each	99,46,812	13.93	99,46,812	12.50
Alchemy Leaders Of Tomorrow Fund of ₹ 100 each	9,26,916	14.59	9,26,916	13.79
Aventus Structured Credit Fund II of ₹ 1,00,000 each	2,042	21.32	1,191	12.59
Aventus Structured Credit Fund III of ₹ 1,00,000 each	375	3.76	-	-
Innoven Capital India Fund of ₹ 100 each	10,00,000	10.00	8,00,000	8.10
Fireside Ventures Investment Fund III of ₹ 1,00,000 each	200	2.01	120	1.06



## Notes forming part of the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 5 INVESTMENTS (NON-CURRENT) (Contd.)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
ASK Golden Decade Fund of ₹ 1,000 each	-	-	1,46,028	18.29
Alphamine Absolute Return Fund of ₹ 100 each	-	-	4,99,975	5.35
Lighthouse India Fund IV of ₹ 1,00,000 each	221	2.25	211	2.11
Altacura AI Absolute Return Fund of ₹ 100 each	-	-	5,00,000	5.19
Rental Yield Plus of ₹ 10,000 each	6,998	7.00	-	-
JM Financial Credit Opportunities Fund I of ₹ 1,00,000 each	798	8.32	736	7.47
Sundaram Alternative Opportunities Series - High Yield Secured Real Estate Fund IV of ₹ 1,00,000 each	1,050	10.50	-	-
Build India Infrastructure Fund of ₹ 100 each	49,998	0.52	-	-
ASK Real Estate Affordable Housing Fund of ₹ 1,00,000 each	125	1.25	-	-
Alteria Capital Fund II of ₹ 100 each	11,78,162	10.99	15,96,081	16.02
		<b>340.50</b>		<b>360.11</b>
<b>c) Investment in Mutual fund</b>				
<b>Quoted</b>				
Bharat Bond ETF April 2030 of ₹ 1,000 each	10,00,000	147.39	10,00,000	135.65
Bharat Bond ETF April 2031 of ₹ 1,000 each	17,50,233	230.76	17,50,233	212.37
Bharat Bond ETF April 2033 of ₹ 1,000 each	2,99,985	36.25	2,99,985	33.31
		<b>414.40</b>		<b>381.33</b>
<b>Unquoted</b>				
Edelweiss Bharat Bond FOF April 2032 of ₹ 10 each	2,96,92,960	36.73	2,96,92,960	33.70
Edelweiss CRISIL IBX 50:50 Gilt Plus SDL April 2037 Index Fund of ₹ 10 each	4,15,29,107	52.68	4,15,29,107	47.66
		<b>89.41</b>		<b>81.36</b>
<b>d) Investment in Equity instruments</b>				
<b>Quoted</b>				
Cube Highway Trust Invit of ₹ 100 each	-	-	6,00,000	6.12
		<b>-</b>		<b>6.12</b>
<b>Total Non-Current Investments</b>		<b>1,561.57</b>		<b>1,336.66</b>
Aggregate amount of quoted investments and market value thereof		<b>566.57</b>		<b>699.38</b>
Aggregate amount of unquoted investments.		<b>995.00</b>		<b>637.28</b>

### NOTE NO. 6 OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Derivative Assets	84.00	131.47
Security Deposits	19.36	18.05
Bank deposits more than 12 months maturity		
In Margin	2.62	5.56
Fixed deposits (CY ₹ 5,097, PY ₹ 5,097)	0.00	0.00
	<b>105.98</b>	<b>155.08</b>

### NOTE NO. 7 INCOME TAX ASSETS (NET)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Advance Payments of Taxes and Tax deducted at source (Net of Provisions)	15.76	10.12
	<b>15.76</b>	<b>10.12</b>

## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 8 OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
(a) Capital Advances	450.95	275.73
(b) Others loans and advances		
VAT/Service Tax Receivable	0.41	0.66
Prepaid expenses	1.60	0.32
	<b>452.96</b>	<b>276.71</b>

#### NOTE NO. 9 INVENTORIES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
(At lower of Cost and Net Realisable Value)		
(a) Raw materials (including Goods in transit)	919.61	522.52
(b) Work-in-Progress	187.88	172.72
(c) Finished Goods	486.06	447.09
(d) Stock-in-Trade	85.43	78.96
(e) Stores and Spares	88.55	100.16
(f) Others - Packing Materials and Fuel	14.40	10.08
	<b>1,781.93</b>	<b>1,331.53</b>

#### NOTE NO. 10 INVESTMENTS (CURRENT)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
<b>A Investment at Cost</b>				
Investment in Preference Shares				
Unquoted (Fully paid up Shares)				
7.15 % Preference Shares of Tata Capital Limited of ₹ 1,000 each	-	-	2,00,000	20.00
Non-Convertible Non-Cumulative Redeemable Preference Shares Music Broadcast of ₹ 10 each	30,000	0.30	-	-
		<b>0.30</b>		<b>20.00</b>
<b>B Investment carried at fair value through Profit and Loss</b>				
a) Investment in Non-Convertible Debenture / Market Linked Debentures				
Quoted				
Shriram Finance Limited of ₹ 10,00,000 each	-	-	270	29.40
Shriram Finance Limited of ₹ 1,00,000 each	500	5.15	2,500	25.05
Matrix Pharma Private Limited of ₹ 1,00,000 each	1,000	5.00	-	-
Motilal Oswal Financial Services Limited of ₹ 1,000 each	1,72,742	18.67	-	-
Muthoot Capital Services Limited of ₹ 10,00,000 each	-	-	1,000	11.29
Avanse Financial Services Limited of ₹ 10,00,000 each	100	10.75	150	16.08
Asirvad Micro Finance Limited of ₹ 10,00,000 each	-	-	200	22.57
Belstar Microfinance Limited of ₹ 10,00,000 each	-	-	130	15.55
JM Financial Credit Solutions Limited of ₹ 10,00,000 each	-	-	50	5.02
Krazybee Services Private Limited of ₹ 1,00,000 each	-	-	1,200	11.99
Krazybee Services Private Limited of ₹ 40,000 each	769	1.53	-	-
Spandana Sphoorty Financial Limited of ₹ 1,00,000 each	-	-	1,000	9.88
Spandana Sphoorty Financial Limited of ₹ 10,00,000 each	67	1.34	-	-
Vivriti Capital Limited of ₹ 10,00,000 each	-	-	100	10.95





## Notes forming part of the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 10 INVESTMENTS (CURRENT) (Contd.)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
Navi Finserv Limited of ₹ 1,00,000 each	1,000	10.57	-	-
ICICI Home Finance Company Limited of ₹ 10,00,000 each	80	9.58	-	-
SMFG India Credit Company Limited of ₹ 10,00,000 each	50	5.98	-	-
Nuvama Clearing Services Limited of ₹ 1,00,000 each	1,500	15.90	-	-
Incred Financial Services Limited of ₹ 1,00,000 each	797	7.96	-	-
Shriram Finance Limited of ₹ 10,00,000 each	100	11.95	-	-
L&T Finance Limited of ₹ 10,00,000 each	250	29.49	-	-
Tata Capital Limited of ₹ 10,00,000 each	100	11.87	-	-
S K Fincorp Limited of ₹ 5,00,000 each	-	-	229	11.49
S K Fincorp Limited of ₹ 10,00,000 each	-	-	150	17.53
Motilal Oswal Finvest Limited of ₹ 10,00,000 each	-	-	100	10.93
HDB Financial Services Limited of ₹ 10,00,000 each	-	-	150	15.15
Alpha Alternatives Financial Services Private Limited of ₹ 10,00,000 each	66	11.54	-	-
MAS Financial Services Limited of ₹ 1,00,000 each	3,000	29.76	-	-
MAS Financial Services Limited of ₹ 10,00,000 each	-	-	100	11.18
		<b>187.04</b>		<b>224.06</b>
<b>Unquoted</b>				
Aventus Finance Private Limited of ₹ 10,00,000 each	300	17.69	100	10.09
		<b>17.69</b>		<b>10.09</b>
<b>b) Investment in Equity instruments</b>				
<b>Quoted</b>				
Mindspace Business Part REIT of ₹ 10 each	2,52,800	9.47	2,52,800	8.73
National Highways Infra Trust INVIT of ₹ 101 each	18,00,000	24.03	18,00,000	22.72
Energy Infrastructure Trust (Erstwhile India Infrastructure Trust) INVIT	10,00,000	8.48	10,00,000	9.20
Nexus Select Trust REIT	9,93,510	12.94	9,93,510	12.69
India Grid Trust INVIT of ₹ 100 each	15,18,060	21.39	9,31,679	12.37
Indus Infra Trust (Erstwhile Bharat Highways) INVIT of ₹ 100 each	16,15,922	17.36	16,15,922	17.78
NDR INVIT of ₹ 100 each	10,00,000	10.80	10,00,000	10.13
Intelligent Supply Chain Infrastructure Trust INVIT	22,00,000	24.20	22,00,000	22.39
Cube Highway Trust INVIT of ₹ 100 each	24,00,000	30.00	-	-
Capital Infra Trust INVIT of ₹ 99 each	21,38,546	18.93	-	-
Nxt-Infra Trust INVIT of ₹ 100 each	10,00,000	11.00	-	-
		<b>188.60</b>		<b>116.01</b>
<b>c) In Mutual Fund</b>				
<b>Quoted</b>				
ICICI Prudential Mutual Fund Nifty 50 ETF of ₹ 10 each	1,78,544	4.68	1,78,544	4.39
Nippon India Mutual Fund ETF Nifty 50 Bees of ₹ 1 each	95,81,446	252.19	59,24,021	146.30
Nippon India Mutual Fund ETF Silver Bees of ₹ 10 each	-	-	17,951	0.13
Nippon India Mutual Fund ETF Gold Bees of ₹ 1 each	60,15,497	44.61	54,29,531	30.74
ICICI Prudential Mutual Fund Gold ETF of ₹ 1 each	55,47,920	42.47	9,17,000	5.36
ICICI Prudential Mutual Fund Silver ETF of ₹ 10 each	5,47,000	5.54	-	-
		<b>349.49</b>		<b>186.92</b>
<b>Unquoted</b>				
Aditya Birla Sun Life Arbitrage Fund of ₹ 10 each	-	-	20,94,040	5.45
Axis Arbitrage Fund of ₹ 10 each	-	-	28,38,461	5.25
HSBC Liquid Fund of ₹ 1,000 each	19,419	5.02	-	-
HDFC Arbitrage Fund of ₹ 10 each	-	-	73,95,878	13.58
ICICI Prudential Liquid Fund of ₹ 100 each	-	-	1,40,239	5.01
ICICI Prudential Gilt Fund of ₹ 10 each	6,37,519	6.92	6,37,519	6.33

## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 10 INVESTMENTS (CURRENT) (Contd.)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
ICICI Prudential PSU Equity Fund of ₹ 10 each	61,87,809	12.53	61,87,809	11.97
ICICI Prudential Multi Assets Fund of ₹ 100 each	3,54,013	27.98	3,54,013	24.50
ICICI Prudential Equity Saving Fund of ₹ 10 each	24,38,902	5.70	24,38,902	5.27
ICICI Prudential Pharma Healthcare and Diagnostic Fund of ₹ 10 each	15,42,657	6.00	15,42,657	4.97
ICICI Prudential Manufacturing Fund of ₹ 10 each	43,99,738	14.71	15,84,205	5.11
ICICI Prudential Banking & Financial Plan of ₹ 10 each	7,15,886	9.86	-	-
ICICI Prudential Arbitrage Fund of ₹ 10 each	14,14,589	5.11	-	-
SBI Magnum Gilt Fund of ₹ 10 each	2,66,96,984	184.49	2,66,96,984	168.54
SBI Magnum Income Fund of ₹ 10 each	19,56,921	14.62	19,56,921	13.42
SBI Arbitrage Fund of ₹ 10 each	-	-	35,81,994	11.73
SBI Banking & Financial Services Fund of ₹ 10 each	14,39,626	6.19	14,39,626	5.22
SBI Magnum Ultra Short Duration Fund of ₹ 1,000 each	16,837	10.04	-	-
UTI Arbitrage Fund of ₹ 10 each	20,89,991	7.66	36,48,497	12.38
Tata Arbitrage Fund of ₹ 10 each	61,98,549	9.20	71,08,575	9.76
Tata Money Market Fund of ₹ 1,000 each	21,326	10.06	11,481	5.01
Canara Robeco Liquid Fund of ₹ 1,000 each	19,375	6.02	-	-
Mirae Assets Arbitrage Fund of ₹ 10 each	-	-	83,67,782	10.29
Mirae Assets Ultra Short-term Fund of ₹ 1,000 each	-	-	41,680	5.01
Invesco Arbitrage Fund of ₹ 10 each	-	-	67,35,197	21.13
Bajaj Finserv Liquid Fund of ₹ 1,000 each	-	-	47,580	5.01
Bajaj Finserv Money Market Fund of ₹ 1,000 each	44,171	5.03	-	-
Kotak Arbitrage Fund of ₹ 10 each	39,01,016	15.35	56,29,436	20.49
Kotak Money Market Fund of ₹ 1,000 each	-	-	24,334	10.03
Kotak Corporate Bond Fund of ₹ 1,000 each	13,639	5.25	-	-
Kotak Saving Fund of ₹ 10 each	22,81,501	10.05	-	-
Edelweiss Arbitrage Fund of ₹ 10 each	-	-	83,60,078	15.81
Edelweiss Low Duration Fund of ₹ 1,000 each	79,996	8.04	-	-
Bandhan Liquid Fund of ₹ 1,000 each	-	-	17,181	5.01
DSP Multi Asset Allocation Fund of ₹ 10 each	77,27,350	10.16	-	-
Nippon India Arbitrage Fund of ₹ 10 each	61,18,418	17.25	39,42,793	10.30
Nippon India Nivesh Lakshya Fund of ₹ 10 each	8,66,67,201	156.80	8,66,67,201	142.69
		<b>570.04</b>		<b>559.27</b>
<b>d) Investment in Alternate Investment Fund</b>				
<b>Unquoted</b>				
360 One India Housing Fund 3 of ₹ 10 each	1,99,84,241	27.72	2,00,74,517	25.34
ASK Golden Decade Fund of ₹ 1,000 each	1,46,028	17.59	-	-
Alphamine Absolute Return Fund of ₹ 100 each	30,49,848	31.75	-	-
ASK Absolute Return Fund of ₹ 1,000 each	3,29,984	34.31	-	-
		<b>111.37</b>		<b>25.34</b>
<b>C Investment carried at amortised cost</b>				
<b>Quoted</b>				
<b>a) Investment in Perpetual Bond</b>				
8.70 % BOB Perpetual Bond of ₹ 10,00,000 each	-	-	700	69.99
8.25 % BOB Perpetual Bond of ₹ 10,00,000 each	450	44.98	-	-
8.50 % BOB Perpetual Bond of ₹ 10,00,000 each	480	48.00	-	-
8.15 % BOB Perpetual Bond of ₹ 10,00,000 each	50	5.00	-	-
9.10 % Tata International Perpetual Bond of ₹ 10,00,000 each	135	13.50	135	13.50
8.75 % SBI Perpetual Bond of ₹ 10,00,000 each	-	-	290	29.03
8.50 % SBI Perpetual Bond of ₹ 10,00,000 each	-	-	200	20.00
		<b>111.48</b>		<b>132.52</b>



## Notes forming part of the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 10 INVESTMENTS (CURRENT) (Contd.)

(₹ in Crores)

Particulars	Units	As at 31 <sup>st</sup> March, 2025	Units	As at 31 <sup>st</sup> March, 2024
<b>b) Investment in Preference share</b>				
<b>Unquoted</b>				
7.50 % Preference Shares of Tata Capital Limited of ₹ 1,000 each	-	-	2,00,000	20.01
		-		<b>20.01</b>
<b>c) Investment in Tax Free Bond</b>				
<b>Quoted</b>				
7.07 % NABARD Tax Free Bonds of ₹ 10,00,000 each	550	55.28	-	-
7.14 % NHAI Tax Free Bond of ₹ 1,000 each	2,85,698	28.65	-	-
		<b>83.93</b>		<b>-</b>
<b>d) Investment in Commercial Paper</b>				
<b>Quoted</b>				
Motilal Oswal Financial Services Limited of ₹ 5,00,000 each	400	18.91	600	29.85
		<b>18.91</b>		<b>29.85</b>
<b>Unquoted</b>				
Aventus Finance Private Limited of ₹ 5,00,000 each	-	-	100	4.98
JM Financial Services Limited of ₹ 5,00,000 each	700	34.83	-	-
Nuvama Wealth Finance Limited of ₹ 5,00,000 each	400	29.10	400	19.94
		<b>63.93</b>		<b>24.92</b>
		<b>1,702.78</b>		<b>1,348.99</b>
Aggregate amount of quoted investments and Market value thereof		<b>939.45</b>		<b>689.36</b>
Aggregate amount of Unquoted investments		<b>763.33</b>		<b>659.63</b>

### NOTE NO. 11 TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Trade receivable Considered good - Unsecured	1,494.54	1,445.43
	<b>1,494.54</b>	<b>1,445.43</b>

(Refer Note no. 49)

### NOTE NO. 12 CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Balances with banks	77.63	74.38
Cash on hand	0.23	0.24
Remittance in transit	2.38	-
	<b>80.24</b>	<b>74.62</b>

### NOTE NO. 13 OTHER BANK BALANCES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Unpaid Dividend	2.81	3.01
Margin Money (Including Fixed Deposit) <sup>#</sup>	3.20	2.37
	<b>6.01</b>	<b>5.38</b>

<sup>#</sup>(Held against guarantee and other commitments)

# Notes forming part of the Consolidated Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 14 LOANS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<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	12.22	12.42
Loans receivable - Credit impaired	-	-
	<b>12.22</b>	<b>12.42</b>
Less: Provision for loans which have significant increase in credit risk	12.22	12.42
	-	-
Loans and advances to employees (considered good)	9.70	6.75
	<b>9.70</b>	<b>6.75</b>

### NOTE NO. 15 OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Derivative Assets	75.12	51.48
Interest accrued on Investments	9.88	13.22
Interest accrued on Deposits and Loans	1.31	0.94
Dividend/Income accrued on Investments	4.04	3.36
Security Deposit	0.55	0.55
	<b>90.90</b>	<b>69.55</b>

### NOTE NO. 16 OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Advance Payment to Suppliers	176.86	200.33
GST/Excise/Sales Tax/Customs Duty etc. Receivables	177.17	140.38
Prepaid Expenses	51.27	21.10
	<b>405.30</b>	<b>361.81</b>

### NOTE NO. 17 SHARE CAPITAL

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Authorised:</b>		
44,87,50,000 Equity Shares of ₹ 2 each	89.75	89.75
20,00,000 Redeemable Preference Shares of ₹ 10 each	2.00	2.00
	<b>91.75</b>	<b>91.75</b>
<b>Issued Subscribed and fully paid up:</b>		
19,33,17,190 Equity Shares of ₹ 2 each fully paid up	38.66	38.66
	<b>38.66</b>	<b>38.66</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 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Number of Shares	Amount (₹ in Crores)	Number of Shares	Amount (₹ in Crores)
Balance at the beginning of the year	19,33,17,190	38.66	19,33,17,190	38.66
<b>Balance at the end of the year</b>	<b>19,33,17,190</b>	<b>38.66</b>	<b>19,33,17,190</b>	<b>38.66</b>

#### Shareholder's holding more than 5 % Shares in the Company

Name of Shareholders	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Number of Shares	Holding %	Number of Shares	Holding %
VKP Enterprises LLP	4,82,32,880	24.95	4,82,32,880	24.95
Rajiv Poddar	5,35,77,010	27.71	5,35,77,010	27.71
HDFC Value Fund	1,07,71,019	5.57	55,07,715	2.85



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 17 SHARE CAPITAL (Contd.)

##### Shares held by the promoters and promoters group at the end of the year

Sr. No.	Promoters Name	No of shares	% of total shares	% Change during the year
1	Arvind Poddar	1,000	0.00	-
2	Vijaylaxmi Poddar	1,000	0.00	-
3	Rajiv Poddar	5,35,77,010	27.71	-
4	Khushboo Poddar	75,93,000	3.93	-
5	Shyamlata 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>	<b>-</b>

#### NOTE NO. 18 OTHER EQUITY

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>a) Capital Reserve</b>		
Opening Balance	0.34	0.34
Add: Movement during the year	-	-
<b>Closing Balance</b>	<b>0.34</b>	<b>0.34</b>
<b>b) Other Reserve (General Reserve)</b>		
Opening Balance	5,200.00	4,800.00
Add: Transferred from Profit and Loss account	500.00	400.00
<b>Closing Balance</b>	<b>5,700.00</b>	<b>5,200.00</b>
<b>c) Retained Earnings</b>		
Opening Balance	3,572.57	2,810.38
Add: Net Profit for the current year	1,654.96	1,471.49
Less: Interim Dividend	231.98	231.98
Less: Dividend on equity shares	77.32	77.32
Less: Transfer to General Reserve	500.00	400.00
<b>Closing Balance</b>	<b>4,418.23</b>	<b>3,572.57</b>
<b>d) Remeasurements of the Net Defined Benefit Plans</b>		
Opening Balance	(15.40)	(14.81)
Movement during the year	(3.99)	(0.59)
<b>Closing Balance</b>	<b>(19.39)</b>	<b>(15.40)</b>
<b>e) Effective portion of Cash Flow Hedges</b>		
Opening Balance	119.65	(25.42)
Movement during the year	(28.14)	145.07
<b>Closing Balance</b>	<b>91.51</b>	<b>119.65</b>
<b>f) Equity instruments through Other Comprehensive Income</b>		
Opening Balance		
Movement during the year	235.00	-
<b>Closing Balance</b>	<b>235.00</b>	<b>-</b>
<b>g) Foreign Currency Translation Reserve</b>		
Opening Balance	(62.01)	(52.22)
Movement during the year	(14.74)	(9.79)
<b>Closing Balance</b>	<b>(76.75)</b>	<b>(62.01)</b>
	<b>10,348.94</b>	<b>8,815.16</b>



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 18 OTHER EQUITY (Contd.)

##### Capital Reserve

Capital reserve is created as per local law of Country of incorporation (Italy) of the foreign subsidiary BKT Europe S.R.L..

##### 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.

##### Reserve for Equity Instruments Through Other Comprehensive Income

Fair value gain/loss arising on equity investment that are designated as held at fair value through Other comprehensive income is included here.

##### 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 Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Unsecured - At amortised cost</b>		
<u>Non-Convertible Debentures</u>	-	150.00
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 of ₹ 150.00 Crores will be in April 2025.		
<u>Term Loan from Standard Chartered Bank</u>	18.00	-
The repayment schedule will start from October 2027 in eight annual installments, first 4 installments will be of 3% and next 3 installments will be of 5% and remaining last installment is due on October 2034. Rate of interest is 3 months MIBOR plus spread of 1.21%		
<u>Deferred Payment Liabilities</u>	-	0.13
(Deferred Sales Tax under the scheme of Government of Maharashtra (Payable after ten years, from the date of respective loan, in five annual equal installments)		
<b>Secured - At amorised cost</b>		
<u>External Commerical Borrowing</u>		
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 tire plant of Bhuj, Gujarat. Rate of interest is 3 Months EURIBOR plus spread of 0.52%.	369.30	541.31
The repayment is starting from December 2025 in six quarterly equal installments of EURO 10 Million each.		
	<b>387.30</b>	<b>691.44</b>

(Refer Note No. 48 for details of securities provided)



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 19A LEASE LIABILITIES (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Lease Liabilities	4.55	4.01
	<b>4.55</b>	<b>4.01</b>

#### NOTE NO. 20 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Distributors/Dealers Deposit	0.49	0.01
Derivative Liability	20.47	15.91
	<b>20.96</b>	<b>15.92</b>

#### NOTE NO. 21 PROVISIONS (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Provision for employee benefits		
Gratuity	37.54	25.56
Leave Encashment	5.24	4.72
Provision for Decommissioning of Assets	0.46	-
Others	5.12	4.44
	<b>48.36</b>	<b>34.72</b>

#### NOTE NO. 22 DEFERRED TAX LIABILITIES (NET)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Net Deferred Tax Liabilities	456.30	349.00
	<b>456.30</b>	<b>349.00</b>

(Refer Note no. 38(ii))

#### NOTE NO. 23 OTHER NON-CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Deferred Income (Export Incentive)	102.89	75.19
Income received in advance	0.05	0.00
	<b>102.94</b>	<b>75.19</b>

#### NOTE NO. 24 BORROWINGS (CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Unsecured</b>		
From Banks	2,490.28	1,995.14
<b>Secured</b>		
From Banks	50.19	58.54
<b>Current maturity of long-term debt</b>		
<b>Secured</b>		
From Banks:		
External Commercial Borrowing	184.65	-
<b>Unsecured</b>		
Non-Convertible Debentures	150.00	350.00
From Others	0.13	0.31
	<b>2,875.25</b>	<b>2,403.99</b>

(Refer Note no. 48 for details of securities provided)

(Refer Note no. 19 for repayment schedule)

#### NOTE NO. 24A LEASE LIABILITIES (CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Lease Liabilities	0.35	-
	<b>0.35</b>	<b>-</b>

# Notes forming part of the Consolidated Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 25 TRADE PAYABLES (CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Trade Payables (including Acceptances) due to:		
Total outstanding due of Micro and Small Enterprise	29.34	20.93
Total outstanding due of creditors Other than Micro and Small Enterprise	724.59	787.26
	<b>753.93</b>	<b>808.19</b>

(Refer Note no. 44)

### NOTE NO. 26 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Interest accrued but not due	3.11	4.05
Unpaid Dividend	2.81	3.01
Derivative liabilities	16.36	7.15
Capital Creditors	154.08	142.05
Others	125.62	102.04
	<b>301.98</b>	<b>258.30</b>

### NOTE NO. 27 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Income received in advance	84.07	64.35
Security Deposit	59.43	57.23
Statutory dues	146.57	63.95
	<b>290.07</b>	<b>185.53</b>

### NOTE NO. 28 PROVISIONS (CURRENT)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Provision for employee benefits		
Leave encashment	5.07	4.43
	<b>5.07</b>	<b>4.43</b>

### NOTE NO. 29 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Sale of Products	10,357.24	9,304.37
Other Operating Revenue:		
Export Incentives	53.77	28.58
Scrap Sales	26.54	34.62
Others	9.40	1.30
	<b>89.71</b>	<b>64.50</b>
<b>Total Revenue from Operations</b>	<b>10,446.95</b>	<b>9,368.87</b>
<b>DISAGGREGATION OF REVENUE</b>		
<b>Revenue based on Geography</b>		
Export	7,402.73	6,753.73
Domestic #	3,044.22	2,615.14
<b>Revenue from operations</b>	<b>10,446.95</b>	<b>9,368.87</b>
# (Including export incentive)		
<b>Reconciliation of Revenue from operations with contract price</b>		
Contract Price	10,647.34	9,654.37
Less:		
Sales returns	10.19	22.29
Sales Incentives and Bonus	151.92	214.38
Others	38.28	48.83
	<b>200.39</b>	<b>285.50</b>
<b>Total Revenue from operations</b>	<b>10,446.95</b>	<b>9,368.87</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.



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 30 OTHER INCOME

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Interest Income on:		
Non-Current Investments	33.31	35.64
Current Investments	28.59	5.48
Deposits/Loans and Advances/Income tax refund	1.46	6.27
	<b>63.36</b>	<b>47.39</b>
Net gain on foreign currency transaction and translation	267.36	172.30
Income from Non current Investment	67.25	12.00
Dividend Income on investments	11.94	5.22
Net gain/(loss) on sale of Non-Current Investments	1.35	(0.17)
Net gain on sale of Current Investments	13.29	19.79
Net mark to market gain/(loss) on investments	89.41	171.88
Profit on sale of Property Plant and Equipment	9.64	9.54
Withdrawal of Provision of Doubtful Loan	0.20	0.50
Other non-operating income	14.99	10.77
	<b>538.79</b>	<b>449.22</b>

#### NOTE NO. 31 COST OF MATERIAL CONSUMED

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Raw Material Consumed	4,985.43	4,404.45
	<b>4,985.43</b>	<b>4,404.45</b>

#### NOTE NO. 32 PURCHASE OF STOCK-IN-TRADE

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Purchase of Traded Goods	135.63	119.85
	<b>135.63</b>	<b>119.85</b>

#### NOTE NO. 33 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>Opening Inventories:</b>		
Work-in-Progress	172.71	152.30
Stock-in-Trade	78.96	89.12
Finished Goods	447.09	424.46
	<b>698.76</b>	<b>665.88</b>
<b>Less:</b>		
<b>Closing Inventories:</b>		
Work-in-Progress	187.88	172.71
Stock-in-Trade	85.43	78.96
Finished Goods	486.05	447.09
	<b>759.36</b>	<b>698.76</b>
<b>Net (Increase)/Decrease in Inventories</b>	<b>(60.60)</b>	<b>(32.88)</b>

#### NOTE NO. 34 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Salaries and wages	509.15	458.79
Contribution to provident and other funds	32.00	29.49
Staff welfare expenses	13.21	11.23
	<b>554.36</b>	<b>499.51</b>

## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 35 FINANCE COST\*

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Interest expenses	109.33	100.14
Other borrowing cost	2.42	2.70
Exchange difference regarded as an adjustment to borrowing cost	16.55	10.03
Interest on Lease Liability (PY ₹ 15,936)	0.04	0.00
	<b>128.34</b>	<b>112.87</b>

\*Net of borrowing cost capitalised ₹ 9.76 Crores. (PY ₹ 22.54 Crores) The rate used to determine the amount of borrowing cost eligible for capitalisation was 9%

#### NOTE NO. 36 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Depreciation and amortisation	680.41	650.54
Depreciation of Right-of-use assets	0.25	0.18
	<b>680.66</b>	<b>650.72</b>

#### NOTE NO. 37 OTHER EXPENSES

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Consumption of stores and spare parts	268.24	301.45
Packing material consumed	29.55	22.31
Power and fuel (Net)	274.68	304.75
Freight and forwarding	683.09	510.73
Labour/Job Charges	258.86	204.08
Water charges	11.51	10.27
Repairs and Maintenance to Plant & Machinery	38.60	41.02
Repairs and Maintenance to Building	40.08	44.15
Repairs and Maintenance to Others	27.33	19.33
Insurance Charges	27.84	31.38
Rates and Taxes excluding taxes on income	44.32	64.83
Rent	13.25	12.33
Legal and Professional charges	94.26	62.27
Advertisement, Publicity, Sales Promotion and Marketing Service expenses	439.59	382.11
Commission	4.25	5.63
Travelling Expenses	39.13	33.72
Directors Meeting Fees	0.53	0.54
Property Plant and Equipment Discarded	1.38	0.17
Interest to Others	0.17	0.58
Contribution towards CSR expenses (Refer Note no. 52)	32.94	31.34
Miscellaneous expenses	44.93	39.58
	<b>2,374.53</b>	<b>2,122.57</b>

#### NOTE NO. 38

##### i) Tax Reconciliation

##### (a) The Income tax expense consists of the followings

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Current income tax	477.62	406.02
Short/(Excess) provision of earlier year	-	5.03
Deferred tax expense	54.81	58.46
<b>Tax expense for the year</b>	<b>532.43</b>	<b>469.51</b>





## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 38 (Contd.)

##### (b) Amounts recognised in Other Comprehensive Income

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025			Year Ended 31 <sup>st</sup> March, 2024		
	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						
i) Remeasurement of post employment benefit obligations	(5.33)	1.34	(3.99)	(0.79)	0.20	(0.59)
ii) Remeasurement of equity instruments through OCI	298.30	(63.30)	235.00	-	-	-
b) Items that will be reclassified to profit or loss						
i) Effective portion of Cash flow hedges	(37.60)	9.46	(28.14)	193.87	(48.79)	145.08
ii) Exchange difference on translation	(14.74)	-	(14.74)	(9.79)	-	(9.79)
	<b>240.63</b>	<b>(52.50)</b>	<b>188.13</b>	<b>183.29</b>	<b>(48.59)</b>	<b>134.70</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 Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Profit before tax	2,187.39	1,941.00
Indian statutory income tax rate	25.168%	25.168%
Expected income tax expenses	550.52	488.51
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expenses:-</b>		
Income exempt from income tax	(2.22)	(2.23)
Deduction under Income tax Act	(3.01)	(1.32)
Impact of differential tax rate	(6.60)	(19.64)
Permanent differences	(0.75)	4.36
Effect of Current tax Related to Earlier years	(1.60)	-
Others	(3.91)	(0.17)
<b>Total Income tax expenses</b>	<b>532.43</b>	<b>469.51</b>
<b>Effective Tax Rate</b>	<b>24.341%</b>	<b>24.189%</b>

#### ii) Deferred Tax Disclosure

##### (a) Movement in deferred tax balances

(₹ in Crores)

Particulars	Net balance as at 1 <sup>st</sup> April, 2024	Recognised in profit or loss	Recognised in OCI	Others (including exchange difference)	As at 31 <sup>st</sup> March, 2025 Net Deferred tax assets/(liabilities)
Property, Plant and Equipment	(267.91)	(35.47)	-	-	(303.38)
Investments	(54.72)	(19.36)	-	-	(74.08)
Employee benefits	10.03	1.96	1.34	-	13.33
Equity instruments	-	-	(63.30)	-	(63.30)
Cash Flow Hedge	(40.25)	-	9.46	-	(30.79)
Provision for Doubtful Advances	3.15	(0.05)	-	-	3.10
Other (Net)	0.70	(1.89)	-	0.01	(1.18)
<b>Deferred tax assets/(liabilities)</b>	<b>(349.00)</b>	<b>(54.81)</b>	<b>(52.50)</b>	<b>0.01</b>	<b>(456.30)</b>

## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 38 (Contd.)

(₹ in Crores)

Particulars	Net balance 1 <sup>st</sup> April, 2023	Recognised in profit or loss	Recognised in OCI	Others (including exchange difference)	As at 31 <sup>st</sup> March, 2024 Net Deferred tax assets/ (liabilities)
Property, Plant and Equipment	(233.47)	(34.44)	-	-	(267.91)
Investments	(28.94)	(25.78)	-	-	(54.72)
Employee benefits	9.02	0.81	0.20	-	10.03
Cash flow hedge	8.54	-	(48.79)	-	(40.25)
Provision for Doubtful Advances	3.27	(0.12)	-	-	3.15
Others (Net)	(0.27)	1.07	-	(0.10)	0.70
<b>Deferred tax assets/ (liabilities)</b>	<b>(241.85)</b>	<b>(58.46)</b>	<b>(48.59)</b>	<b>(0.10)</b>	<b>(349.00)</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.

#### 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 Crores)

Particulars	As at 31 <sup>st</sup> March, 2025							
	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)	-	-	86.25	86.25	-	-	-	-
Mutual Fund	1,423.34	-	-	1,423.34	763.89	659.45	-	1,423.34
Debentures	264.68	-	-	264.68	246.99	17.69	-	264.68
Equities	188.60	523.46	-	712.06	188.60	-	523.46	712.06
Loans	-	-	9.70	9.70	-	-	-	-
Trade receivables	-	-	1,494.54	1,494.54	-	-	-	-
Other financial assets	-	-	17.85	17.85	-	-	-	-
Foreign exchange forward contracts	-	159.12	-	159.12	-	159.12	-	159.12
Preference shares and bonds	-	-	391.13	391.13	-	-	-	-
Alternate Investment Fund	451.87	-	-	451.87	-	451.87	-	451.87
Security deposit	-	-	19.91	19.91	-	-	-	-
<b>Total</b>	<b>2,328.49</b>	<b>682.58</b>	<b>2,019.38</b>	<b>5,030.45</b>	<b>1,199.48</b>	<b>1,288.13</b>	<b>523.46</b>	<b>3,011.07</b>
<b>Financial Liabilities:</b>								
Long-term borrowings (Including current maturity of Long-term borrowings)	-	-	721.95	721.95	-	-	-	-
Other financial liabilities (including lease liabilities)	-	-	291.01	291.01	-	-	-	-
Short-term borrowings	-	-	2,540.60	2,540.60	-	-	-	-
Trade payables	-	-	753.93	753.93	-	-	-	-
Foreign exchange forward contracts	-	36.83	-	36.83	-	36.83	-	36.83
<b>Total</b>	<b>-</b>	<b>36.83</b>	<b>4,307.49</b>	<b>4,344.32</b>	<b>-</b>	<b>36.83</b>	<b>-</b>	<b>36.83</b>



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> 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)	-	-	80.00	80.00	-	-	-	-
Mutual Fund	1,208.88	-	-	1,208.88	568.24	640.64	-	1,208.88
Debentures	341.22	-	-	341.22	287.84	53.38	-	341.22
Equities	122.13	-	-	122.13	122.13	-	-	122.13
Loans	-	-	6.75	6.75	-	-	-	-
Trade receivables	-	-	1,445.43	1,445.43	-	-	-	-
Other financial assets	-	-	23.08	23.08	-	-	-	-
Foreign exchange forward contracts	-	182.95	-	182.95	-	182.95	-	182.95
Preference shares and bonds	-	-	455.46	455.46	-	-	-	-
Alternate Investment Fund	385.45	-	-	385.45	-	385.45	-	385.45
Security deposit	-	-	18.60	18.60	-	-	-	-
<b>Total</b>	<b>2,057.68</b>	<b>182.95</b>	<b>2,029.32</b>	<b>4,269.95</b>	<b>978.21</b>	<b>1,262.42</b>	<b>-</b>	<b>2,240.63</b>
<b>Financial Liabilities:</b>								
Long-term borrowings (Including current maturity of Long-term borrowings)	-	-	1,041.75	1,041.75	-	-	-	-
Other financial liabilities	-	-	255.17	255.17	-	-	-	-
Short-term borrowings	-	-	2,053.68	2,053.68	-	-	-	-
Trade payables	-	-	808.19	808.19	-	-	-	-
Foreign exchange forward contracts	-	23.06	-	23.06	-	23.06	-	23.06
<b>Total</b>	<b>-</b>	<b>23.06</b>	<b>4,158.79</b>	<b>4,181.85</b>	<b>-</b>	<b>23.06</b>	<b>-</b>	<b>23.06</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 un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable 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 forming part of the Consolidated Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (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
<b>Level: 3</b>			
Unlisted Equity Instruments	Unobservable Inputs	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 Group's Board of Directors has overall responsibility for the establishment and oversight of the Group risk management framework. The Board of Directors is responsible for developing and monitoring the Group risk management policies.

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 Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. 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 and other receivables

Around 71% 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 that no provision is required for credit risk wherever credit is extended to customers.



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

##### Impairment

Provision for doubtful debts movement	(₹ in Crores)
<b>Balance as at 1<sup>st</sup> April, 2023</b>	-
Impairment loss recognised	1.00
Amounts written off	1.00
<b>Balance as at 31<sup>st</sup> March, 2024</b>	-
Impairment loss recognised	0.15
Amounts written off	0.15
<b>Balance as at 31<sup>st</sup> March, 2025</b>	-

##### Concentration of credit risk

At 31<sup>st</sup> March, 2025, the carrying amount of the Group's most significant customers is ₹ 148.51 Crores (PY: ₹ 320.68 Crores).

##### 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 Group had made the provision for doubtful loans in earlier years of ₹ 16.50 Crores. Up to 31<sup>st</sup> March, 2025 the Group had recovered ₹ 4.28 Crores against this doubtful loan and as such the provision for such doubtful loan is reduced to ₹ 12.22 Crores as on 31<sup>st</sup> March, 2025. The Company has no collateral in respect of said loan.

##### Investment in debentures and preference shares

The group does not perceive any risk as these are issued by reputed financial institutions/companies.

##### 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 banks 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.

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 at 31<sup>st</sup> March, 2025, the group had working capital of ₹ 1,344.75 Crores including cash and cash equivalents of ₹ 80.24 Crores and highly marketable current investments of ₹ 1,702.78 Crores.

As at 31<sup>st</sup> March, 2024, the group had working capital of ₹ 983.62 Crores, including cash and cash equivalents of ₹ 74.62 Crores and highly marketable current investment of ₹ 1,348.99 Crores.



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

##### 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 flows.

(₹ in Crores)

As at 31 <sup>st</sup> March, 2025	Carrying amount	Total	Contractual cash flows			
			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	369.30	369.30	-	369.30	-	-
Unsecured Long term loans and borrowings	18.00	18.00	-	-	-	18.00
Other financial liabilities	0.49	0.49	-	-	0.49	-
<b>Current</b>						
Secured Long term loans and borrowings	184.65	184.65	184.65	-	-	-
Unsecured Long term loans and borrowings	150.13	150.13	150.13	-	-	-
Secured Short term loans and borrowings	50.19	50.19	50.19	-	-	-
Unsecured Short term loans and borrowings	2,490.28	2,490.28	2,490.28	-	-	-
Trade payables	753.93	753.93	753.93	-	-	-
Capital Creditor	154.08	154.08	154.08	-	-	-
Unpaid Dividend	2.81	2.81	2.81	-	-	-
Interest accrued but not due	3.11	3.11	3.11	-	-	-
Others	125.62	125.62	125.62	-	-	-
<b>Derivative financial liabilities</b>						
<b>Non current</b>						
Forward exchanges contract	20.47	20.47	-	9.10	11.37	-
<b>Current</b>						
Forward exchanges contract	16.36	16.36	16.36	-	-	-

(₹ in Crores)

As at 31 <sup>st</sup> March, 2024	Carrying amount	Total	Contractual cash flows			
			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 Short term loans and borrowings	541.31	541.31	-	180.44	360.87	-
Unsecured Long term loans and borrowings	150.13	150.13	-	150.13	-	-
Other financial liabilities	0.01	0.01	-	-	0.01	-
<b>Current</b>						
Unsecured Long term loans and borrowings	350.31	350.31	350.31	-	-	-
Secured Short term loans and borrowings	58.54	58.54	58.54	-	-	-
Unsecured Short term loans and borrowings	1,995.14	1,995.14	1,995.14	-	-	-
Trade payables	808.19	808.19	808.19	-	-	-
Capital Creditor	142.05	142.05	142.05	-	-	-
Unpaid Dividend	3.01	3.01	3.01	-	-	-
Interest accrued but not due	4.05	4.05	4.05	-	-	-
Others	102.04	102.04	102.04	-	-	-
<b>Derivative financial liabilities</b>						
<b>Non current</b>						
Forward exchanges contract	15.91	15.91	-	6.82	9.09	-
<b>Current</b>						
Forward exchanges contract	7.15	7.15	7.15	-	-	-

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.



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

##### 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 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 Group generally hedges its estimated foreign currency exposure in respect of forecast sales/purchases over the forthcoming financial years in advance. The Group 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 contract and cross currency forward contracts primarily 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 31<sup>st</sup> March, 2025

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of highly probable forecasted sales transactions	Forward contract	USD	INR	294 Million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	INR	219 Million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	USD	346 Million	Sell
Hedges of highly probable forecasted purchases transactions	Forward contract	USD	INR	17 Million	Buy
Cross Currency swap	Currency swap	INR	EUR	17 Million	*
Cross Currency swap	Currency swap	INR	EUR	2 Million	**
Derivative	Derivative	EUR	USD	17 Million	Buy
Derivative	Derivative	EUR	INR	85 Million	Sell
Derivative	Derivative	USD	INR	79 Million	Sell

\* NCD liability of ₹ 150 Crores has been swapped to Euro - equivalent to 17 Million Euros

\*\* PCFC liability of ₹ 18 Crores has been swapped to Euro - equivalent to 2 Million Euros

##### Following is the derivative financial instruments to hedge the foreign exchange rate risk As at 31<sup>st</sup> 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 forming part of the Consolidated Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

#### 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 Crores)

Particulars	As at 31 <sup>st</sup> March, 2025			As at 31 <sup>st</sup> March, 2024		
	EUR	USD	Others	EUR	USD	Others
<b>Financial assets (A)</b>						
Trade receivables	955.01	411.65	1.29	803.84	512.26	1.73
Cash and cash equivalent	29.99	27.43	0.87	43.81	24.98	1.26
Security Deposit	0.05	-	-	0.05	-	-
<b>Total (A)</b>	<b>985.05</b>	<b>439.08</b>	<b>2.16</b>	<b>847.70</b>	<b>537.24</b>	<b>2.99</b>
<b>Financial liabilities (B)</b>						
Secured Loans	578.42	25.73	-	564.00	35.85	-
Unsecured Loans	2,346.61	-	-	2,411.52	-	-
Interest on Loans	3.11	-	-	4.05	-	-
Trade payables	323.98	155.28	1.62	333.66	124.38	3.30
Other - Capital Creditor	27.15	52.26	-	8.69	85.10	-
<b>Total (B)</b>	<b>3,279.27</b>	<b>233.27</b>	<b>1.62</b>	<b>3,321.92</b>	<b>245.33</b>	<b>3.30</b>
<b>Net statement of financial position exposure</b>	<b>(2,294.22)</b>	<b>205.81</b>	<b>0.54</b>	<b>(2,474.22)</b>	<b>291.91</b>	<b>(0.31)</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 date of statements of financial position.

(₹ in Crores)

31 <sup>st</sup> March, 2025	Profit/(loss)		
	Strengthening/ Weakening %	Strengthening	Weakening
EUR	2%	(45.88)	45.88
USD	3%	6.17	(6.17)
Others	10%	0.05	(0.05)

(₹ in Crores)

31 <sup>st</sup> March, 2024	Profit/(loss)		
	Strengthening/ Weakening %	Strengthening	Weakening
EUR	2%	(49.48)	49.48
USD	3%	8.76	(8.76)
Others	10%	(0.03)	0.03

(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 market interest rates.

Floating rate loans exposes the Company to fluctuations in cash flow due to changes in interest rates.

For details of the Group's short-term and long-term loans and borrowings, including interest rate profiles.

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Fixed-rate instruments</b>		
Financial assets	536.82	564.69
Financial liabilities	(1,936.94)	(1,970.37)
	<b>(1,400.12)</b>	<b>(1,405.68)</b>
<b>Variable-rate instruments</b>		
Financial liabilities	(1,325.48)	(1,124.63)
	<b>(1,325.48)</b>	<b>(1,124.63)</b>



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 39 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

##### 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 Crores)

Particulars	Profit/(loss)	
	100 bps increase	100 bps decrease
<b>As at 31<sup>st</sup> March, 2025</b>		
Variable-rate instruments	(13.25)	13.25
<b>Sensitivity (Net)</b>	<b>(13.25)</b>	<b>13.25</b>
<b>As at 31<sup>st</sup> March, 2024</b>		
Variable-rate instruments	(11.25)	11.25
<b>Sensitivity (Net)</b>	<b>(11.25)</b>	<b>11.25</b>

(Note: The impact is indicated on the profit/(loss) and equity 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 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024. The column 'net amount' shows the impact on the group's balance sheet if all set-off rights were exercised.

(₹ in Crores)

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 31<sup>st</sup> March, 2025</b>						
<b>Financial assets</b>						
Derivative financial instruments	159.12	-	159.12	159.12	-	159.12
<b>Total</b>	<b>159.12</b>	<b>-</b>	<b>159.12</b>	<b>159.12</b>	<b>-</b>	<b>159.12</b>
<b>Financial liabilities</b>						
Derivative financial instruments	36.83	-	36.83	36.83	-	36.83
<b>Total</b>	<b>36.83</b>	<b>-</b>	<b>36.83</b>	<b>36.83</b>	<b>-</b>	<b>36.83</b>
<b>As at 31<sup>st</sup> March, 2024</b>						
<b>Financial assets</b>						
Derivative financial instruments	182.95	-	182.95	182.95	-	182.95
<b>Total</b>	<b>182.95</b>	<b>-</b>	<b>182.95</b>	<b>182.95</b>	<b>-</b>	<b>182.95</b>
<b>Financial liabilities</b>						
Derivative financial instruments	23.06	-	23.06	23.06	-	23.06
<b>Total</b>	<b>23.06</b>	<b>-</b>	<b>23.06</b>	<b>23.06</b>	<b>-</b>	<b>23.06</b>

## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### 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 realisation 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<sup>st</sup> April, 2016.

#### Disclosure of effects of hedge accounting on financial position

As at 31<sup>st</sup> March, 2025

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 customised contracts transacted in the over-the-counter market.	Cash flow hedge

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

As at 31<sup>st</sup> March, 2025

Particulars	Notional principal amounts	Derivative Financial Instruments - Assets (₹ in Crores)	Derivative Financial Instruments - Liabilities (₹ in Crores)	Line item in Balance Sheet position where the hedging instrument is included	Maturity date	Average strike price/ rate
Foreign exchange forward contracts	565 Million EUR 294 Million USD	147.52	22.96	Nil	FY 2025-26 to FY 2029-30	1 EUR = ₹ 101.51 1 USD = ₹ 88.42 1 EUR = 1.14 USD
Cross Currency swap	17 Million EUR	-	5.18	Nil	FY 2025-26	1 EUR = ₹ 87.02
Cross Currency swap	2 Million EUR	-	0.33	Nil	FY 2025-26	1 EUR = ₹ 90.97
Derivative	85 Million EUR 79 Million USD	-	7.62	Nil	FY 2025-26 to FY 2029-30	1 EUR = ₹ 99.21 1 USD = ₹ 92.02
Derivative	17 Million EUR	11.53	-	Nil	FY 2025-26	1 EUR = 1 USD
Foreign exchange forward contracts	17 Million USD	0.08	0.74	Nil	FY 2025-26	1 USD = ₹ 85.98





## Notes forming part of the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2025

### NOTE NO. 40 HEDGE ACCOUNTING (Contd.)

Particulars	Change in fair value for the year	Change in fair Value for the year recognised in OCI (₹ in Crores)	Ineffectiveness recognised 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 contract	FY 2024-25	2.24	Nil	Not applicable	Nil	Not applicable
Cross Currency Swap	FY 2024-25	(7.19)	Nil	Not applicable	Nil	Not applicable
Cross Currency Swap	FY 2024-25	(0.33)	Nil	Not applicable	Nil	Not applicable
Derivative	FY 2024-25	(7.28)	Nil	Not applicable	Nil	Not applicable
Derivative	FY 2024-25	(27.79)	Nil	Not applicable	Nil	Not applicable
Foreign exchange forward contract	FY 2024-25	2.75	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 Crores)

Particulars	Movement in Cash flow hedge reserve	
	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Opening balance	119.65	(25.42)
<b>Effective portion of changes in fair value:</b>		
Foreign currency risk	(37.60)	193.87
<b>Net amount reclassified to profit or loss:</b>		
Foreign currency risk	-	-
Tax on movements on reserves during the year	9.46	(48.79)
<b>Closing balance</b>	<b>91.51</b>	<b>119.65</b>

### 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.

The Group's Net Debt to Equity Ratio was as follows:

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Non-Current Borrowings	387.30	691.31
Current Borrowings	2,875.25	2,403.99
Current maturity of long-term debt	(0.13)	(0.31)
<b>Gross Debt</b>	<b>3,262.42</b>	<b>3,094.99</b>
Less - Cash and Cash Equivalents	80.24	74.62
Less - Current Investments	1,702.78	1,348.99
<b>Net Debt</b>	<b>1,479.40</b>	<b>1,671.38</b>
Total equity	10,387.60	8,853.82
Add/(Less): Hedging reserve	(91.51)	(119.65)
<b>Equity</b>	<b>10,296.09</b>	<b>8,734.17</b>
<b>Net Debt to Equity ratio</b>	<b>14%</b>	<b>19%</b>

# Notes forming part of the Consolidated Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### 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 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Profit attributable to equity holders (₹ in Crores)	1,654.96	1,471.49
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>85.61</b>	<b>76.12</b>

### 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 & Director (Commercial) and 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., Devkinandan Plastics Pvt. Ltd.

#### II) Related Party Transactions \$

(₹ in Crores)

Transactions	Year Ended 31 <sup>st</sup> March, 2025		Year Ended 31 <sup>st</sup> March, 2024	
	Relatives of (KMP)	Other related Party	Relatives of (KMP)	Other related Party
Purchase of Goods/ Materials	-	27.29	-	0.22
Rent received	-	0.72	-	0.72
Recovery of Expenses Other related Party ₹ 31,822 (PY ₹ 36,380)	-	0.00	-	0.00
Sale of Assets	-	-	-	0.02
Rent Paid	3.72	-	3.72	-
Maintenance expenses	0.14	-	0.14	-
Remuneration	-	-	0.39	-
Meeting Fees	0.06	-	0.06	-
Advance Received against Sale of Investment property	-	-	1.98	-
Sale of Investment property	2.00	-	-	-

(₹ in Crores)

Outstanding Balances	Key Management Personnel		Relatives of (KMP)		Other related Party	
	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Remuneration payable	84.07	73.54	-	-	-	-
Income received in advance	-	-	1.98	-	-	-

#### III) Key management personnel compensation\*\*\*

Key management personnel compensation comprised the following:

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Remuneration	99.36	86.79
Recovery of Expenses - ₹ 4,380 (PY ₹17,571)	0.00	0.00



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 43 RELATED PARTY DISCLOSURES \* (Contd.)

Disclosure in Respect of Related Party Transaction during the year: (₹ in Crores)

Transactions	Year Ended 31 <sup>st</sup> March, 2025		Year Ended 31 <sup>st</sup> March, 2024	
	Relatives of (KMP)	Other related Party	Relatives of (KMP)	Other related Party
<b>Purchase of Goods/ Materials</b>				
Clothing Culture Ltd.	-	0.18	-	0.22
Devkinandan Plastics Pvt Ltd.		27.11		
<b>Rent received</b>				
Clothing Culture Ltd.	-	0.72	-	0.72
<b>Recovery of Expenses</b>				
Clothing Culture Pvt. Ltd. -Other related Party ₹ 31,822 (PY ₹ 36,380)	-	0.00	-	0.00
<b>Sale of Assets</b>				
Clothing Culture Pvt. Ltd.	-	-	-	0.02
<b>Rent Paid</b>				
Mrs. Pooja Dhoot	1.67	-	1.67	-
Mrs. Khushboo Poddar	2.05		2.05	
<b>Maintenance Expenses</b>				
Mrs. Pooja Dhoot	0.06		0.06	
Mrs. Khushboo Poddar	0.08		0.08	
<b>Advance Received against Sale of Investment property</b>				
Mrs. Pooja Dhoot	-	-	1.98	-
<b>Sale of Investment property</b>				
Mrs. Pooja Dhoot	2.00		-	
<b>Meeting Fees</b>				
Mrs. Vijaylaxmi Poddar	0.06	-	0.06	-
<b>Remuneration</b>				
Mrs. Khushboo Poddar	-	-	0.39	-

(₹ in Crores)

Outstanding Balances	KMP		Relatives of (KMP)		Other related Party	
	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Remuneration payable**</b>						
Mr. Arvind Poddar	42.00	36.75	-	-	-	-
Mr. Rajiv Poddar	42.00	36.75	-	-	-	-
Mr. Vipul Shah	0.05	0.03	-	-	-	-
Mr. Madhusudan Bajaj	0.02	0.01			-	-
<b>Income Received in Advance</b>						
Mrs. Pooja Dhoot	-	-	-	1.98	-	-

Key management personnel compensation comprised the following

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>Remuneration</b>		
Mr. Arvind Poddar	47.54	42.29
Mr. Rajiv Poddar	46.42	41.17
Mr. Vipul Shah	0.98	0.92
Mr. Madhusudan Bajaj	4.42	2.41
<b>Recovery of Expenses</b>		
Mr. Rajiv Poddar- CY ₹ 4,380 (PY ₹ 17,571)	0.00	0.00

\*\*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.

## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 44 TRADE PAYABLE AGEING AS AT 31<sup>st</sup> MARCH, 2025

(₹ in Crores)

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	29.34	-	-	-	29.34
Others	605.77	113.58	0.42	0.65	720.42
Dispute due MSE	-	-	-	-	-
Dispute due Others	1.54	-	0.01	2.62	4.17

#### TRADE PAYABLE AGEING AS AT 31<sup>st</sup> MARCH, 2024

(₹ in Crores)

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	20.93	-	-	-	20.93
Others	775.81	5.75	1.11	0.50	783.17
Dispute due MSE	-	-	-	-	-
Dispute due Others	0.96	0.01	-	3.12	4.09

As at 31<sup>st</sup> March, 2025, 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 Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
a) The principal amount remaining unpaid to any supplier at the end of the year (including Capital Creditors of ₹ 17.13 Crores, PY ₹14.74 Crores)	46.47	35.67
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 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 Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>Charge to the Statement of Profit and Loss based on contributions:</b>		
Superannuation	0.81	0.81
Employees' Provident fund	15.76	14.97

##### (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.



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 45 EMPLOYEE BENEFIT OBLIGATIONS (Contd.)

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 31<sup>st</sup> March, 2025. 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 Crores)

Particulars	As at 31 <sup>st</sup> March, 2025 Gratuity (Funded plan)	As at 31 <sup>st</sup> March, 2024 Gratuity (Funded plan)
<b>(i) Change in Defined Benefit Obligation</b>		
Opening defined benefit obligation	84.28	77.81
Amount recognised in profit and loss		
Current service cost	6.87	6.28
Past service cost	-	-
Interest cost	6.01	5.80
Amount recognised in other comprehensive income		
Actuarial loss/(gain) arising from:		
Demographic assumptions	(0.58)	-
Financial assumptions	6.50	2.44
Experience adjustment	(0.48)	(1.74)
Other		
Benefits paid	(6.27)	(6.31)
<b>Closing defined benefit obligation</b>	<b>96.33</b>	<b>84.28</b>
<b>(ii) Change in Fair Value of Assets</b>		
Opening fair value of plan assets	58.72	55.70
Amount recognised in profit and loss		
Interest income	4.17	4.15
Amount recognised in other comprehensive income		
Actuarial gain/(loss)		
Return on Plan Assets, Excluding Interest Income	0.11	(0.09)
Other		
Contributions by employer	2.07	5.27
Benefits paid	(6.27)	(6.31)
<b>Closing fair value of plan assets</b>	<b>58.80</b>	<b>58.72</b>
Actual return on Plan Assets	4.28	4.06
<b>(iii) Plan assets comprise the following</b>		
	<u>Unquoted</u>	<u>Unquoted</u>
Insurance fund (100%)	58.80	58.72
<b>(iv) Principal actuarial assumptions used</b>	%	%
Discount rate	6.78	7.21
Rate of employee turnover	For service 4 years and below 15.00% p.a. For service 5 years and above 5.00% p.a.	For service 4 years and below 10.00% p.a. For service 5 years and above 2.00% p.a.
Future Salary growth rate	9.00	8.50
Mortality rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
<b>(v) Amount recognised in the Balance Sheet</b>		
Present value of obligations as at year end	96.33	84.28
Fair value of plan assets as at year end	58.80	58.72
<b>Net (asset)/liability recognised as at year end</b>	<b>37.53</b>	<b>25.56</b>
Recognised under:		
Long-term provisions	37.53	25.56
	<b>37.53</b>	<b>25.56</b>



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 45 EMPLOYEE BENEFIT OBLIGATIONS (Contd.)

##### 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 Crores)

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement) - Gratuity	(8.21)	9.69	(8.49)	10.19
Employee turnover (1% movement) - Gratuity	(0.66)	0.70	(0.47)	0.52
Future salary growth (1% movement) - Gratuity	6.07	(5.95)	6.86	(6.75)

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 Crores)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>As at 31<sup>st</sup> March, 2025</b>					
Defined benefit obligations (Gratuity)	6.52	5.88	24.90	35.66	72.96
<b>Total</b>	<b>6.52</b>	<b>5.88</b>	<b>24.90</b>	<b>35.66</b>	<b>72.96</b>
<b>As at 31<sup>st</sup> March, 2024</b>					
Defined benefit obligations (Gratuity)	3.58	2.79	22.63	28.20	57.20
<b>Total</b>	<b>3.58</b>	<b>2.79</b>	<b>22.63</b>	<b>28.20</b>	<b>57.20</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 31<sup>st</sup> March, 2025 based on actuarial valuation using the projected accrued benefit method is ₹ 0.52 Crores. (PY ₹ 0.38 Crores).

#### NOTE NO. 46 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(i) Contingent Liabilities</b>		
a) Claims against the Company not acknowledge as debts		
Disputed claims for excise, sales tax, customs and service tax	162.49	127.38
Disputed income tax demands	9.61	0.86
Others (Municipal, Gram panchayat tax, Electricity Duty etc.)	10.98	9.06
b) Guarantees given by the Company's bankers on behalf of the Company against the Company's Indemnity	101.27	86.24
c) Corporate Guarantee given by the Company:		
To the President of India through commissioner of Custom	461.84	484.05
To Bank against loan taken by subsidiary	11.83	-
d) Standby Letter of Credit issued by Company's banker for loan taken by subsidiary	2.60	4.30
<b>(ii) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	923.98	966.35



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 47 REMUNERATION TO AUDITORS\*

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>a) Statutory Auditor#</b>		
Audit Fees	1.36	1.18
Limited Review	0.15	0.14
Tax Audit	0.33	0.30
Transfer Pricing	0.05	0.04
	<b>1.89</b>	<b>1.66</b>
Income tax matters	0.40	0.35
Company Law Matters	0.05	0.30
	<b>0.45</b>	<b>0.65</b>
Other Services:		
Consolidation & Corporate Governance	0.11	0.09
Other Certification etc.	0.73	0.60
	<b>0.84</b>	<b>0.69</b>
<b>Total</b>	<b>3.18</b>	<b>3.00</b>
<b>b) Cost Auditor</b>		
Audit Fees	0.05	0.05
Reimbursement of expenses (CY ₹ 25,000)	0.00	-

\*Excluding GST

# Including payments made to respective Auditors of Foreign Subsidiaries.

#### NOTE NO. 48 NATURE OF SECURITY IN RESPECT OF SECURED LOAN

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>a) At Parent Company:</b>		
Secured by first charge by way of hypothecation on all the movable assets of tire plant of Bhuj, Gujarat	553.95	541.31
<b>b) At Subsidiary Companies:</b>		
Secured by first charge by way of security agreement of all the assets of BKT Tires Inc and Guarantee of the Parent Company.	25.72	35.85
Secured by Guarantee of the Parent Company.	24.47	22.69

#### NOTE NO. 49 TRADE RECEIVABLE AGEING AS AT 31<sup>ST</sup> MARCH, 2025

(₹ in Crores)

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	1,492.01	2.04	0.49	-	-	1,494.54
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 31<sup>ST</sup> MARCH, 2024

(₹ in Crores)

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	1,412.33	29.31	3.79	-	-	1,445.43
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	-	-	-	-	-	-

# Notes forming part of the Consolidated Financial Statements

## for the year ended 31<sup>st</sup> March, 2025

### 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 tires

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 Crores)		
Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
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	3,044.22	2,615.14
Revenue from foreign countries		
Europe	4,544.34	3,995.30
North America	1,861.38	1,709.05
Others	997.01	1,049.38
<b>Total</b>	<b>10,446.95</b>	<b>9,368.87</b>

#### 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 Crores)		
Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>Non-Current Assets</b>		
In India	8,457.39	7,660.11
Outside India	28.54	33.59
<b>Total</b>	<b>8,485.93</b>	<b>7,693.70</b>

### NOTE NO. 51

Additional information pursuant to paragraph 2 of Division 2 of Schedule III to the Companies Act, 2013 - 'General instructions for the preparation of consolidated financial statements' of Division 2 of Schedule III

#### 31<sup>st</sup> March, 2025

(₹ in Crores)								
Name of the entities in the Group	Net Assets, i.e. Total Assets minus total liabilities		Share in Profit or 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>	99.96%	10,383.83	98.39%	1,628.37	107.84%	202.87	99.36%	1,831.24
<b>Foreign Subsidiaries</b>								
1. BKT USA INC	0.18%	18.32	0.20%	3.23	-0.24%	(0.45)	0.15%	2.78
2. BKT TIRES INC	0.06%	6.57	0.19%	3.17	-1.86%	(3.50)	-0.02%	(0.33)
3. BKT Tires (Canada) INC	0.02%	2.16	0.05%	0.70	-0.18%	(0.34)	0.02%	0.36
4. BKT Europe S.R.L.	0.27%	27.57	1.15%	19.11	-5.56%	(10.46)	0.47%	8.65
Elimination	-0.49%	(50.85)	0.02%	0.38	-	-	0.02%	0.38
<b>Total</b>	<b>100.00%</b>	<b>10,387.60</b>	<b>100.00%</b>	<b>1,654.96</b>	<b>100.00%</b>	<b>188.12</b>	<b>100.00%</b>	<b>1,843.08</b>



## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 51 (Contd...)

31<sup>st</sup> March, 2024

(₹ in Crores)

Name of the entities in the Group	Net Assets, i.e. Total Assets minus total liabilities		Share in Profit or 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>	100.10%	8,862.49	97.70%	1,437.59	107.26%	144.49	98.50%	1,582.08
<b>Foreign Subsidiaries</b>								
1. BKT USA INC	0.18%	15.54	0.17%	2.50	-0.30%	(0.41)	0.13%	2.09
2. BKT TIRES INC	0.08%	6.90	-0.05%	(0.73)	-1.47%	(1.98)	-0.17%	(2.71)
3. BKT Tires (Canada) INC	0.02%	1.79	0.06%	0.86	-0.22%	(0.29)	0.03%	0.57
4. BKT Europe S.R.L.	0.21%	18.93	0.64%	9.47	-5.27%	(7.11)	0.15%	2.36
Elimination	-0.59%	(51.83)	1.48%	21.80	-	-	1.36%	21.80
<b>Total</b>	<b>100.00%</b>	<b>8,853.82</b>	<b>100.00%</b>	<b>1,471.49</b>	<b>100.00%</b>	<b>134.70</b>	<b>100.00%</b>	<b>1,606.19</b>

#### NOTE NO. 52 CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITY

(₹ in Crores)

Sr. No.	Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
1	Amount required to be spent by the Company during the year	32.94	31.34
2	Opening Shortfall/(Surplus) (if any) (PY ₹ 6,617)	(2.73)	(0.00)
3	Amount of expenditure incurred on		
	i) Construction/acquisition of any assets	11.71	21.53
	ii) On purpose of other than (i) above	9.81	12.54
4	Shortfall/(Surplus) at the end of the year *	8.69	(2.73)
5	Reason for shortfall	Ongoing Project	-
6	Nature of CSR activities - Healthcare, Education and Rural development		
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard:	-	-

\*The unspent corporate social responsibility amount of ₹ 8.69 Crores has been deposited in special bank account within a period of 30 days from the end of relevant Financial Year.

#### NOTE NO. 53 DIVIDEND PAID AND PROPOSED

(₹ in Crores)

Particular	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
<b>Dividend declared and paid during the year:</b>		
Final Dividend of ₹ 4.00 per share for FY 2023-24 (₹ 4.00 per share for FY 2022-23)	77.32	77.32
Interim dividend of ₹ 12.00 per share for FY 2024-25 (₹ 12.00 per share for FY 2023-24)	231.98	231.98
	<b>309.30</b>	<b>309.30</b>
<b>Proposed Dividends on equity shares:</b>		
Final Dividend recommended by the Board of Directors for the year ended 31 <sup>st</sup> March, 2025 ₹ 4 per share of ₹ 2 each (31 <sup>st</sup> March, 2024: ₹ 4.00 per share of ₹ 2 each) subject to approval of shareholders in the ensuing annual general meeting.	77.32	77.32

**Note:** Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as liability as at reporting date.

## Notes forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 54 RATIOS

Sr. No.	Particulars	Numerator	Denominator	Year Ended		Variance %	Remarks for variance more than 25%
				31 <sup>st</sup> March, 2025	31 <sup>st</sup> March, 2024		
1	Current Ratio (In times)	Current Assets	Current Liabilities	1.32	1.27	3.90	
2	Debt-Equity Ratio (In times)	Total Debt	Shareholder's Equity	0.31	0.35	(10.16)	
3	Debt Service Coverage Ratio (In times)	Earnings available for debt service	Debt Service	6.47	93.10	(93.05)	There has been principal payment of term loan
4	Return on Equity (ROE) (%)	Net Profits after taxes	Average Shareholder's Equity	17.20	17.93	(4.08)	
5	Inventory Turnover (In times)	Cost of goods sold	Average Inventories	9.49	9.27	2.43	
6	Trade receivables Turnover (In times)	Net Sales	Average Trade Receivables	7.05	7.27	(3.04)	
7	Trade Payables Turnover Ratio (In times)	Total Purchase	Average Trade Payables	9.55	11.21	(14.76)	
8	Net capital turnover ratio (In times)	Net Sales	Working Capital	8.90	11.33	(21.49)	
9	Operating Margin (%)	Operating Profit	Net Sales	17.16	17.25	(0.52)	
10	Net profit ratio (%)	Net Profit	Net Sales	15.98	15.82	1.04	
11	Return on capital employed (ROCE) (%)	Earning before interest and taxes	Capital Employed	16.44	16.73	(1.71)	
12	Return on investment (%)	Income generated from investments	Average Investments	19.76	11.26	75.39	There has been increase in cash flow during the year
13	Interest coverage ratio (In times)	Earnings before interest and taxes (EBIT)	Finance Cost	18.04	18.20	(0.84)	

#### 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 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 Registrar of Companies 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 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 account 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 forming part of the Consolidated Financial Statements

### for the year ended 31<sup>st</sup> March, 2025

#### NOTE NO. 56

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

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#### NOTES FORMING PART OF THE CONSOLIDATED 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: 23<sup>rd</sup> May, 2025

For and on behalf of the Board of Directors

**ARVIND PODDAR**

Chairman & Managing Director

**VIPUL SHAH**

Director & Company Secretary

Place: Mumbai

Dated: 23<sup>rd</sup> May, 2025

**RAJIV PODDAR**

Joint Managing Director

**MADHUSUDAN BAJAJ**

Sr. President & Director (Commercial) and CFO







## 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

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**bkt-tires.com**