

# Balkrishna Industries Limited



AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2015

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Particulars	STAND ALONE						CONSOLIDATED	
	QUARTER ENDED			YEAR ENDED			YEAR ENDED	
	3/31/2015	12/31/2014	3/31/2014	3/31/2015	3/31/2014	3/31/2015	3/31/2014	
	Audited (Refer Note no.9)	Unaudited	Audited (Refer Note no.9)	Audited		Audited		
	(Rs. in Lacs)							
<b>1. Income from Operations</b>								
1. (a) Gross Sales	90022	96426	104010	379628	357414	383261	377442	
(b) Net Sales/Income from Operations (Net of Excise Duty)	88816	94944	103063	374235	353569	377868	372690	
(c) Other Operating Income	531	1084	621	3755	4103	3812	4495	
<b>Total Income from Operations(Net)</b>	<b>89347</b>	<b>96028</b>	<b>103684</b>	<b>377990</b>	<b>357672</b>	<b>381680</b>	<b>377185</b>	
<b>2. Expenditure</b>								
(a) Cost of materials consumed	44986	47074	50000	194483	171199	195342	182901	
(b) Purchases of stock-in-trade	128	241	126	728	554	945	577	
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3299	948	(1739)	1578	348	1550	(1289)	
(d) Employee benefits Expense	4746	5034	4069	19435	13858	22734	16857	
(e) Depreciation and amortisation expense	5717	6578	4787	24020	16496	24370	17028	
(f) Power & Fuel	3626	3985	3307	15683	11699	17229	16502	
(g) Net Exchange Difference (Gain)/Loss (Refer Note No.5)	(15117)	(6061)	3844	(26862)	9107	(26608)	9184	
(h) Other Expenses	18491	18398	17289	72648	61527	71163	63487	
Total expenses	65876	76197	81683	301713	284788	306725	305247	
<b>3. Profit from Operations before Other Income, finance costs &amp; exceptional items(1-2)</b>	<b>23471</b>	<b>19831</b>	<b>22001</b>	<b>76277</b>	<b>72884</b>	<b>74955</b>	<b>71938</b>	
4. Other Income	588	328	311	1118	1384	1137	1406	
<b>5. Profit from ordinary activities before finance costs and exceptional items(3+4)</b>	<b>24059</b>	<b>20159</b>	<b>22312</b>	<b>77395</b>	<b>74268</b>	<b>76092</b>	<b>73344</b>	
6. Finance Costs								
- Interest and Finance Charges	864	965	992	4372	2545	4490	2702	
- Applicable Net(Gain)/Loss on Foreign Currency transactions and translation	(37)	140	(205)	268	(48)	268	25	
<b>7. Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>23232</b>	<b>19054</b>	<b>21525</b>	<b>72755</b>	<b>71771</b>	<b>71334</b>	<b>70617</b>	
8. Exceptional Items								
<b>9. Profit from Ordinary Activities before tax (7+8)</b>	<b>23232</b>	<b>19054</b>	<b>21525</b>	<b>72755</b>	<b>71771</b>	<b>71334</b>	<b>70617</b>	
10. Tax expense								
- Current	7120	5510	1415	21510	15700	21733	15869	
- Deferred	682	554	4695	2364	7233	2344	7286	
<b>11. Net Profit from Ordinary Activities After tax (9-10)</b>	<b>15430</b>	<b>12990</b>	<b>15415</b>	<b>48881</b>	<b>48838</b>	<b>47257</b>	<b>47462</b>	
12. Extra ordinary items (Net of tax expenses)								
<b>13. Net Profit for the period (11+12)</b>	<b>15430</b>	<b>12990</b>	<b>15415</b>	<b>48881</b>	<b>48838</b>	<b>47257</b>	<b>47462</b>	
14. Paid up Equity Share Capital (Face Value of Rs. 2 Each)	1,933	1,933	1,933	1,933	1,933	1,933	1,933	
15. Reserves excluding Revaluation Reserve				227235	186547	225665	187575	
16. Earning Per Share(EPS) (Rs.) For respective periods								
Basic and Diluted	15.96	13.44	15.95	50.57	50.53	48.89	49.10	
<b>A. PARTICULARS OF SHAREHOLDINGS</b>								
<b>1. Public Shareholding:</b>								
- Number of Shares	40310585	40310585	40310585	40310585	40310585	40310585	40310585	
- Percentage of Shareholding	41.70	41.70	41.70	41.70	41.70	41.70	41.70	
<b>2. Promoter and Promoter Group Shareholding</b>								
(a) Pledged/Encumbered								
- Number of Shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
- Percentage of Shares (as a % of the total Share Capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(b) Non - Encumbered								
- Number of Shares	56348010	56348010	56348010	56348010	56348010	56348010	56348010	
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100	100.00	100.00	100.00	100.00	100.00	
- Percentage of Shares (as a % of the total Share Capital of the Company)	58.30	58.30	58.30	58.30	58.30	58.30	58.30	





STATEMENT OF ASSETS AND LIABILITIES				
PARTICULARS	STANDALONE		CONSOLIDATED	
	YEAR ENDED		YEAR ENDED	
	3/31/2015	3/31/2014	3/31/2015	3/31/2014
	Audited		Audited	
	(Rs. in Lacs)			
<b>A. EQUITY AND LIABILITIES</b>				
<b>1. Shareholders' Funds</b>				
a) Share Capital	1933	1933	1933	1933
b) Reserves and surplus	227235	186547	225665	187575
Sub-total - Shareholders' funds	229168	188480	227598	189508
<b>2. Non-current liabilities</b>				
a) Long-term borrowings	135928	165589	135928	170640
b) Deferred tax liabilities(net)	18865	17218	18871	17955
c) Other long term liabilities	1	1	1	5
d) Long-term provisions	137	(75)	153	(32)
Sub-total - Non-current liabilities	154931	182733	154953	188568
<b>2. Current liabilities</b>				
a) Short-term borrowings	63345	68811	63345	70557
b) Trade Payables	37991	37335	39864	40857
c) Other current liabilities	42486	7206	42551	9742
d) Short-term provisions	3539	2837	3539	2898
Sub-total Current liabilities	147361	116189	149299	124054
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>531460</b>	<b>487402</b>	<b>531850</b>	<b>502130</b>
<b>B. ASSETS</b>				
<b>1. Non-current assets</b>				
a) Fixed assets	304880	280578	304943	295379
b) Goodwill on consolidation	-	-	-	6
c) Non-current Investments	5836	42651	5756	36812
d) Long term loans and advances	16641	20981	16658	21955
e) Other non-current assets	146	44	146	98
Sub-total Non-current assets	327503	344254	327503	354250
<b>2. Current assets</b>				
a) Current investments	38650	-	38650	207
b) Inventories	39201	52908	41141	56,840
c) Trade receivables	60183	61847	57969	61,376
d) Cash and cash equivalents	43113	980	43421	1,494
e) Short-term loans and advances	22685	27394	23041	27,926
f) Other current assets	125	19	125	37
Sub-total Current assets	203957	143148	204,347	147880
<b>TOTAL - ASSETS</b>	<b>531460</b>	<b>487402</b>	<b>531850</b>	<b>502130</b>

**NOTES ON STAND ALONE RESULTS:**

- The above results as reviewed by the Audit Committee have been approved by the Board of Directors at its meeting held on 14th May, 2015.
- Segment reporting as required by AS-17 is not applicable as the company operates in one single primary business segment i.e Tyres.
- The work on green field tyre plant of the Company at Bhuj is in substantially completed and production also has commenced.
- The Board has recommended Dividend of Rs. 2.40/- per equity share of Rs. 2/- each. The cash outgo on account of Dividend and Dividend Tax will be Rs.2783 Lacs.
- Net exchange (Gain)/Loss mainly consists of crystalized gain/loss on exports.
- The Scheme of arrangement (Scheme) between Balkrishna Industries Limited (BIL), Balkrishna Paper Mills Limited (BPML) and Nirvikara Paper Mill Limited (NPML) has been approved by the Hon'ble High Court of Bombay and the order has been filed with the Registrar of Companies, Mumbai, on 10th February, 2015. Pursuant to the Scheme, (a) BPML stands amalgamated with BIL with effect from the appointed date, i.e., 1st April 2013 and (b) the Paper Division has been demerged to NPML with effect from the effective date, i.e., 10th February 2015. Consequently, the figures for the quarter/year ended 31st March 2015 are not comparable with the corresponding figures of the previous year.
- The details of number of investor complaints for the quarter;  
Beginning - Nil, Received - Nil Disposed - Nil, Pending - Nil
- As per the provisions of schedule II of Companies Act 2013, the company has determined useful life of its certain fixed assets, duly supported by appropriate technical advice, different from what is specified in Para C of said schedule. As a result of it, the charge of the depreciation for the quarter and for the Year ended 31st March, 2015 is lower by Rs.2538 lacs and Rs.13662 lacs respectively. The net residual value of Rs.306 lacs (net of deferred tax) in respect of Assets which have completed their useful lives, has been adjusted in the Retained Earnings.
- The figures of quarter ended 31.03.2015 and 31.03.2014 are the balancing figures between the audited figures of the full financial year and published year to date figures upto the third quarter of the respective financial year.
- Previous year's/period's figures have been regrouped/reclassified wherever necessary.

**NOTES ON CONSOLIDATED RESULTS :-**

- The above consolidated results represent results of:
  - Balkrishna Industries Limited,
  - Its wholly owned subsidiaries namely Balkrishna Paper Mills Limited (upto 31st March, 2014),Balkrishna Synthetic Limited(upto 9th February, 2015), BKT Exim Limited , BKT Tyres Limited, Trishtha Synthetics Limited, Nirvikara Paper Mills Limited(upto 9th February, 2015) and its wholly owned step down subsidiaries of BKT Exim Limited namely BKT Europe S.r.l , BKT (USA) INC ., BKT Exim US Inc.(w.e.f. 8th July 2014), BKT Tires (Canada) Inc.
- The consolidation has been made in accordance with the principles and procedures as setout in the Accounting Standard (AS) 21 on consolidated financial statements.

Dated : 14th May, 2015

Place: Mumbai



For Balkrishna Industries Limited

Arvind Poddar  
(Chairman & Managing Director)



**INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF  
**BALKRISHNA INDUSTRIES LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Balkrishna Industries Limited ("the Company") which comprise the Balance Sheet as at 31 March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on 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 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 31st March, 2015, and its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, and the cash flow statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) The company has adequate internal financial control and in our opinion the same is operating effectively.
- (g) With respect to the other matters to be included in the Auditor's 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 on its financial position in its financial statements – Refer Note No.32 (i) to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Mumbai  
DATED : 14<sup>TH</sup> MAY, 2015



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

*V. A. Merchant*

VIRAL A. M ERCHANT  
Partner  
Membership No.116279



ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date.)

- (i) (a) In our opinion, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of these fixed assets is being conducted in a phased programme by the management designed to cover all the assets over a period of three to four years, which in our opinion is reasonable having regard to the size of the Company and the nature of assets. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (ii) (a) As explained to us, the inventories were physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and the discrepancies noticed on such physical verification between physical stocks and book records were not material considering the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) In our opinion and according to the information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties as covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a) (b) of the order are not applicable.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit 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 have been prescribed under Section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (vii) (a) According to the records of the Company and the information and explanations given to us, the Company has generally been regularly depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Customs Duty, Excise Duty, 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, 2015 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 Sales Tax, Income Tax, Customs Duty, Excise Duty and Service Tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are given below :-





Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the Amount Relates	Forum where dispute is pending
Sales Tax Act	Sales Tax (Including Interest and Penalty)	2,77,65,976	1999-2002	Tribunal Commissioner (Appeals)
		15,20,23,971	1996-97,1998-99 2002-2006 2008-09	
		2,58,000	2004-05	High Court
Income Tax Act	Income Tax	96,96,524	2006-07	ITAT
Customs Act	Custom Duty (Including Interest)	33,91,32,532	2012-2014	High Court
Service Tax	Service Tax (Including Interest and Penalty)	4,30,761	2004-2006	High Court Tribunal Commissioner (Appeals)
		16,27,645	2005-2007	
		25,33,196	2007-2009	
			2010-2012	
Central Excise Act	Excise Duty (Including Interest and Penalty)	8,97,98,650	2003-2013	High Court Tribunal
		41,41,41,631	1994-2013	
		23,82,406	1999-2001 2010-2012	Commissioner (Appeals)
		67,52,793	1994-1996	

- (c) The amount required to be transferred to Investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- (viii) The Company neither has any accumulated losses at the end of the financial year nor has incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and the explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (xii) Based upon the audit procedures performed and to the best of our knowledge and belief and according to the information and explanations given to us no fraud on or by the Company has been noticed or reported during the year.

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



*V. A. Merchant*

**VIRAL A. M ERCHANT**  
Partner  
Membership No.116279

Mumbai  
DATED : 14<sup>TH</sup> MAY, 2015



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF BALKRISHNA INDUSTRIES LIMITED Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of BALKRISHNA INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies 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 the Group 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 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial





statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

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 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 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### Other Matters

We did not audit the financial statements/financial information of the foreign subsidiaries, whose financial statements reflect total assets of Rs.35,25,81,262 as at 31st March, 2015, total revenues of Rs.31,27,97,511 and net cash outflows amounting to Rs.1,68,29,168 for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited/ reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies incorporated in India, we give in the 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, 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 and the reports of the other auditors.





- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, – Refer Note No.32 (i) to the consolidated financial statements.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

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



*V.A. Merchant*  
**VIRAL A. MERCHANT**  
Partner  
Membership No. 116279

Mumbai,  
Dated:14<sup>th</sup>May,2015