

GIANLUIGI BERRUTI MANZONE

DOTTORE COMMERCIALISTA
REVISORE LEGALE
20122 MILANO - VIALE BIANCA MARIA 25

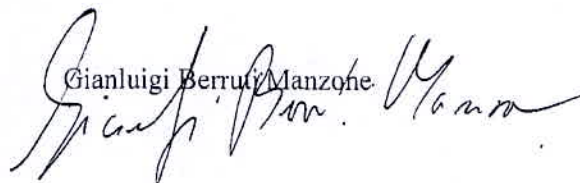
To the attention of Sole Shareholder
BALKRISHNA INDUSTRIES LIMITED
B-66, Waluj MIDC, Waluj Industrial Area,
Aurangabad 431 136, Maharashtra (India)

Milan, 15 April 2022

AUDITOR' S REPORT

I, the undersigned Gianluigi Berruti Manzone, chartered accountant (Dottore Commercialista), enrolled in the Registry of Italian Certified Public Accountants (Revisori Legali dei Conti) under the number 130275, with reference to the fiscal year closed as of march 31th, 2022, of the company BKT EUROPE SRL, with registered office in Viale Bianca Maria 25, 20122 Milano, VAT and Business Registry no. 05404270968, Economic and Administrative Index no. 1819352, hereby certify that:

1. the financial statements give a true and fair view of the financial position and of the results of operations of the company;
2. the accounts correctly reflect the values and the description of the documents and the company records held by the company.

Gianluigi Berruti Manzone


BKT EUROPE S.R.L.

Head office, address MILANO - VIALE BIANCA MARIA , 25

Capital Stock paid Euro 100.000,00

Registered to the Chamber of Commerce of MILANO

The identification N. - N. of enterprises registry 05404270968

Value-added tax identification number: 05404270968 - No. Of the economic
administrative registry (Rea): 1819352

Financial Statements at 31/03/2022

Balance sheet (mandatory scheme)

Assets	31/03/2022	31/03/2021
A) RECEIVABLES DUE FROM SHAREHOLDERS		
Total receivables due from shareholders (A)	0	0
B) FIXED ASSETS		
<i>I - Intangible fixed assets</i>		
3) Industrial patents and intellectual property rights	80.095	23.977
7) Other	2.132.831	2.522.407
Total intangible fixed assets	2.212.926	2.546.384
<i>II - Tangible fixed assets</i>		
2) Plant and machinery	661.517	775.950
3) Industrial and commercial equipment	113.730	141.026
4) Other assets	810.752	838.476
Total tangible fixed assets	1.585.999	1.755.452
<i>III) Financial fixed assets</i>		
Total financial fixed assets (III)	0	0
Total fixed assets (B)	3.798.925	4.301.836
C) CURRENT ASSETS		
<i>I - Inventories</i>		
4) Finished products and goods for resale	3.117.131	2.220.289
Total inventories	3.117.131	2.220.289



II Receivables

1) Trade accounts		
Due within the following year	5.123.445	4.135.220
Total trade accounts	5.123.445	4.135.220
5-b) Tax receivables		
Due within the following year	3.382.202	1.166.027
Total receivables due from tax authorities	3.382.202	1.166.027
5-c) Prepaid tax	418	418
5-d) Other receivables		
Due within the following year	489.171	237.611
Due beyond the following year	5.480	5.480
Total receivables due from third parties	494.651	243.091
Total receivables	9.000.716	5.544.756

III - Current financial assets

Total financial current assets	0	0
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IV - Liquid funds

1) Bank and post office deposits	913.312	1.339.323
3) Cash and equivalents on hand	1.151	980
Total liquid funds	914.463	1.340.303
Total current assets (C)	13.032.310	9.105.348
D) ACCRUED INCOME AND PREPAYMENTS	1.034.455	322.004
TOTAL ASSETS	17.865.690	13.729.188

Balance sheet (mandatory scheme)

Liabilities and shareholders' equity	31/03/2022	31/03/2021
A) SHAREHOLDERS' EQUITY		
I - Share capital	100.000	100.000
II - Share premium reserve	0	0
III - Revaluation reserves	0	0
IV - Legal reserve	20.000	20.000




V - Statutory reserves	0	0
<i>VI - Other reserves, indicated separately</i>		
Miscellaneous other reserves	-3	2
Total other reserves	-3	2
VII - Reserve for hedging expected cash flow operations	0	0
VIII - Retained earnings (accumulated losses)	441.165	301.180
IX - Net profit (loss) for the year	533.723	139.984
Minimised loss for the year	0	0
X - Negative reserve for own portfolio shares	0	0
Total shareholders' equity	1.094.885	561.166
B) RESERVES FOR CONTINGENCIES AND OTHER CHARGES		
Total reserves for contingencies and other charges (B)	0	0
C) TOTAL RESERVE FOR SEVERANCE INDEMNITIES (TFR)	374.839	311.816
D) PAYABLES		
4) Due to banks		
Due within the following year	6.628.157	6.210.000
Due beyond the following year	0	1.500.000
Total payables due to banks (4)	6.628.157	7.710.000
7) Trade accounts		
Due within the following year	8.631.549	4.145.667
Total trade accounts (7)	8.631.549	4.145.667
12) Due to tax authorities		
Due within the following year	280.030	110.972
Total payables due to tax authorities (12)	280.030	110.972
13) Due to social security and welfare institutions		
Due within the following year	168.602	171.685
Total payables due to social security and welfare institutions (13)	168.602	171.685
14) Other payables		
Due within the following year	385.117	324.636



Total other payables (14)	385.117	324.636
Total payables (D)	16.093.455	12.462.960
E) ACCRUED LIABILITIES AND DEFERRED INCOME	302.511	393.246
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	17.865.690	13.729.188

Income statement (value and cost of production)

	31/03/2022	31/03/2021
A) VALUE OF PRODUCTION		
1) Revenues from sales and services	29.959.851	26.696.949
2) Change in work in progress, semi-finished and finished products	896.843	487.067
5) Other income and revenues		
Operating grants	0	35.324
Other	475.191	878.051
Total other income and revenues	475.191	913.375
Total value of production	31.331.885	28.097.391
B) COSTS OF PRODUCTION		
6) Raw, ancillary and consumable materials and goods for resale	9.363.530	6.533.701
7) Services	17.196.068	17.784.065
8) Use of third party assets	224.450	186.412
9) Personnel		
a) Wages and salaries	1.535.486	1.366.512
b) Related salaries	457.913	401.952
c) Severance	102.944	86.426
Total payroll and related costs	2.096.343	1.854.890
10) Depreciation, amortisation and writedowns		
a) Amortisation of intangible fixed assets	1.066.163	903.674
b) Depreciation of tangible fixed assets	351.500	330.245
Total Amortisation, depreciation and write-downs	1.417.663	1.233.919
14) Other operating expenses	135.808	106.295
Total cost of production	30.433.862	27.699.282
Difference between value and cost of production (A - B)	898.023	398.109
C) FINANCIAL INCOME AND CHARGES		
16) Other financial income		



d) Income other than the above		
Other	115	84
Total income other than the above	115	84
Total other financial income	115	84
17) Interest and other financial expense		
Other	121.309	180.159
Total interest and other financial expense	121.309	180.159
17-bis) Currency gains and losses	-6.514	-3.169
Total financial income and expense (15 + 16 - 17 + - 17-bis)	-127.708	-183.244
D) VALUE ADJUSTEMENTS TO FINANCIAL ASSETS AND LIABILITIES		
Total value adjustments to financial assets and liabilities (18 - 19)	0	0
PRE-TAX RESULT(A - B + - C + - D)	770.315	214.865
20) Income tax for the year, current, deferred and prepaid		
Current taxes	236.592	74.881
Total taxes on the income for the year	236.592	74.881
21) PROFIT (LOSS) FOR THE YEAR	533.723	139.984

THE ADMINISTRATIVE BODY:


BKT EUROPE S.R.L.
 Sede Legale: Via Bianca Maria 25 - 20122 Milano
 Sede Operativa: Viale Della Repubblica 133
 20831 SEREGNO (MB)
 C.F. e P.IVA 05404270968