



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

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NOTICE

NOTICE is hereby given that the 64th Annual General Meeting of the Members of BALKRISHNA INDUSTRIES LIMITED will be held on Wednesday, the 29th July, 2026, at 11:30 a.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt:
 - (i) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2026, together with the Reports of the Board of Directors and Auditors' thereon; and
 - (ii) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026, together with the Report of the Auditors' thereon.
2. To confirm the payment of Interim Dividends on Equity Shares and to declare a Final Dividend of ₹ 4.00 per Equity Share (200%) on Equity Shares of ₹ 2/- each (face value), if any, for the financial year 2025-26.
3. To appoint a Director in place of Mrs. Vijaylaxmi Poddar (DIN: 00160484), who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Mr. Vipul Shah (DIN: 05199526), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Ashok Saraf (DIN: 01627873), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 6: Re-appointment of Mr. Vipul Shah as a Whole Time Director of the Company designated as Director & Company Secretary:

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), and the

Articles of Association of the Company, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Vipul Shah (DIN: 05199526) as a Whole Time Director designated as Director & Company Secretary of the Company, for a period of 5 (five) years on expiry of his present term of office i.e. with effect from 11th February, 2027 to 10th February, 2032.

RESOLVED FURTHER THAT the terms and conditions of his re-appointment including remuneration shall be as set out in the Statement annexed to this Notice with powers to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of said re-appointment and / or remuneration as it may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Item No. 7: Appointment of M/s. Deloitte Haskins & Sells Chartered Accountants LLP (Firm Registration no. 117364W/W100739) as a Joint Statutory Auditors of the Company:

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the recommendation of the Audit Committee and approval of the Board of Directors, M/s. Deloitte Haskins & Sells Chartered Accountants LLP (Firm Registration no. - 117364W/W100739), Chartered Accountants, be and is hereby appointed as Joint Statutory Auditors of the Company for a period of 5 (five) consecutive years, to hold office from the conclusion of this 64th Annual General Meeting until the conclusion of the 69th Annual General Meeting, to audit the accounts of the Company along with the existing Statutory Auditors, on such remuneration as may be determined by the Board of Directors in consultation with the Audit Committee.

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RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof) be and is hereby authorised to finalise the terms of appointment, including remuneration, reimbursement of out-of-pocket expenses and other incidental expenses, execute necessary agreements, and do all such acts, deeds and things as may be necessary or expedient to give effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to file the necessary forms and returns with the Registrar of Companies and to make all necessary disclosures with the Stock Exchanges in accordance with applicable laws."

Item No. 8 : To consider and ratify the remuneration payable to M/s. RA & Co., Cost Accountants for the financial year ending 31st March, 2027:

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 148 and all applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the remuneration of ₹ 6.00 Lacs (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 31st March, 2027 be and is hereby ratified.

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

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/ 2020 dated 8th April, 2020 and 17/2020 dated 13th April, 2020, General Circular No. 20/2020 dated 5th May, 2020, and subsequent circulars issued in this regard, the latest being General Circular no.03/2025 dated 22nd September, 2025, 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 various circulars 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 64th 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 64th 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 Directors seeking re-appointment at this AGM is annexed. Requisite declarations have been received from the Directors for seeking re-appointment and their 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 with a copy marked to 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.29.

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. Wednesday, 22nd July, 2026 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 64th AGM along with the Integrated Annual Report for year 2025-26 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 2025-26 will also be available on the Company's website 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 and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com.

In terms of Regulations 36 and 58 of the SEBI Listing Regulations, a letter providing the weblink, including the exact path where the complete details of the Annual report are available alongwith a Quick Response Code has been sent to the Members / Debenture Holders who have not registered their e-mail address with the DPs / Company.

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 the Company or Company's Registrar and Transfer Agent- KFin Technologies Limited (KFinTech) through ISR Forms only.
11. All documents referred to in the accompanying Notice are open for inspection up to the date of the 64th 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. Friday, the 17th July, 2026 and in respect of the shares held in dematerialized mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date. The payment of such final dividend subject to deduction of tax at source as recommended by the Board of Directors, if approved at the AGM, will be made on or after Wednesday, the 29th July, 2026 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 Friday, i.e 17th July, 2026;
- (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 Friday, i.e 17th July, 2026.

14. With effect from 18th November, 2025, dividends shall be processed only in electronic mode, and payment through dividend warrants or cheques has been discontinued.

Payment shall be made subject to:

- Folio being KYC compliant, i.e., PAN, contact details including Mobile No., bank account details and specimen signature are registered with the Company/ RTA (for shareholders holding shares in physical form),
- Updating of bank details with DPs (for shareholders holding shares in dematerialized form), as per SEBI Master Circular no. SEBI/HO/38/13/(4)2026-MIRSDPOD/I/4298/2026 dated 6th February, 2026 read with SEBI Listing Regulations.

15. Tax Deductible at Source / Withholding tax: Pursuant to the requirement of Income Tax Act, 2025, 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.

Notice

A.1 Tax Deductible at Source for Resident members

Sr. No.	Particulars	Withholding tax rate	Documents required (if any) / Remarks
1	Valid PAN updated in the Company's Register of Members	10%	No document required. In case of individual Member, if dividend does not exceed ₹ 10,000, no TDS / withholding tax will be deducted. Also, please refer note (v) below.
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 397(2) of the Income-Tax Act, 2025, regardless of dividend amount, if PAN of the member other than individual is not registered with the Company / KFinTech / Depository Participant. In case of individual member, if PAN is not registered with the Company / KFinTech / Depository Participant & cumulative dividend payment to an individual member is more than ₹ 10,000, TDS / Withholding tax will be deducted at 20% under Section 397(2) of the Income-Tax Act, 2025. All the members are requested to update their PAN with their Depository Participant (if shares are held in dematerialised mode) and Company / KFinTech (if shares are held in physical mode). Please quote all the folio numbers under which you hold your shares while updating the records. Please also refer note (v) below.
3	Availability of lower/nil tax deduction certificate issued by Income-Tax Department u/s 395(1) of the Income-Tax Act, 2025	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority to be submitted.
4	Benefits under Income Tax Rule 203	Rates based on applicability of the Income-Tax Act, 2025 to the beneficial owner	If the member e.g. clearing member / intermediaries / stock brokers are not the beneficial shareholders of the shares and if the declaration under Income Tax Rule 203(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 members if the members 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 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 121 with valid & operative PAN.	NIL	Declaration in Form No. 121 fulfilling certain conditions.
2	Member to whom section 393(1) [Table: Sl. No. 7] of the Income-Tax Act, 2025 does not apply as per section 393(4) [Table: Sl. No. 10] such as LIC, GIC. etc.	NIL	Valid documentary evidence for exemption u/s 393(4) [Table Sl. No 10] of the Income-Tax Act, 2025.
3	Member covered u/s 393(5) of the Income-Tax Act, 2025 such as Government, RBI, Corporations established by Central Act & mutual funds	NIL	Valid documentary evidence for coverage u/s 393(5) of the Income-Tax Act, 2025.
4	Category I and II Alternate Investment Fund	NIL	SEBI registration certificate to claim benefit under section 400(1) of the Income-Tax Act, 2025.
5	- Recognised provident funds - Approved superannuation fund - Approved gratuity fund	NIL	Valid documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT).

Sr. No.	Particulars	Withholding tax rate	Documents required (if any)/ Remarks
(1)	(2)	(3)	(4)
6	National Pension Scheme.	NIL	No TDS as per section 393(9) of the Income-Tax Act, 2025. Valid documentary evidence (e.g., relevant copy of registration, notification, order, etc.) to be provided.
7	Any resident member exempted from TDS deduction as per the provisions of the Income-Tax Act, 2025 or by any other law or notification.	NIL	Valid 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 members. Members are requested to submit the document(s) as mentioned in column no. (4) of the below table, to the Company / KFinTech to avail the beneficial rates, wherever applicable.

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 members	20% (plus applicable surcharge and cess) or tax treaty rate, whichever is beneficial	FPI registration certificate in case of FIIs / FPIs. To avail beneficial rate of tax treaty following tax documents would be required: 1. Tax Residency certificate issued by revenue authority of country of residence of member for the year in which dividend is received. 2. PAN or declaration as per Rule 217 of the Income-Tax Rules, 2026 in a specified format. 3. E-filed Form 41 4. Self-declaration for non-existence of permanent establishment/ fixed base in India. (Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non-Resident member and review to the satisfaction of the Company).
2	Indian Branch of a Foreign Bank	NIL	Lower tax deduction certificate u/s 395(1) of the Income-Tax Act, 2025 obtained from Income Tax Authority. 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. In case above documents are not made available, then Withholding tax will be at 35% (plus applicable surcharge and cess).
3	Availability of Lower / NIL tax deduction certificate issued by Income Tax Authority	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority.
4	Any non-resident member exempted from WHT deduction as per the provisions of the Income-Tax Act, 2025 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 203	Rates based on the applicability of the Income-Tax Act, 2025/ DTAA (whichever is beneficial) to the beneficial owner	If the member e.g. clearing member / intermediaries / stock brokers are not the beneficial shareholders of the shares and if the declaration under Income Tax Rule 203(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.

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Notes:

- (i) The Company will issue soft copy of the TDS certificate to its members through e-mail registered with KFinTech post filing of TDS return as per statutory timelines specified under the Income-Tax Act, 2025. Members will be able to download Form 168 from the Income Tax Department's website <https://www.incometax.gov.in>.
- (ii) The aforesaid documents such as Form 121, documents under section 393(5), 400(1), FPI / FII Registration Certificate, Tax Residency Certificate, Lower Tax certificate, Rule 203 declaration, etc. can be uploaded on the link <https://ris.kfintech.com/form15> on or before record date i.e. 17th July, 2026 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 Forms can be downloaded from the link <https://ris.kfintech.com/form15> and in respect of interim dividend, if any, declare during the FY 2026-27 than aforesaid tax related document need to be uploaded within 5 (five) days from the date of dividend declaration to the aforesaid link <https://ris.kfintech.com/form15>.
- (iii) Application of TDS / withholding tax rate is subject to necessary verification by the Company of the member details as available in register of members as on the Record Date, and other documents available with the Company / KFinTech provided by the member by the specified date.
- (iv) In case TDS is deducted at a higher rate, an option is still available with the member to file the return of income and claim an appropriate refund.
- (v) No TDS will be deducted in case of resident individual members 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 and cumulative dividend payment to individual member is more than ₹ 10,000, the Company will deduct TDS / Withholding tax u/s 393(1) [Table: Sl. No. 7] with reference to Section 397(2) of the Income-Tax Act, 2025.

All the members are requested to update their PAN with their Depository Participant (if shares are held in dematerialised mode) and Company / KFinTech (if shares are held in physical mode) against all their folio holdings.

- (vi) In the event of any income tax demand (including interest, penalty, etc.) on the Company arising due to any declaration, misrepresentation, inaccurate or omission of any information provided by the member, such member will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.
 - (vii) This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Members should consult their tax advisors for requisite action to be taken by them.
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 2025-26 the Company has transferred Unpaid / Unclaimed Final Dividend for year 2017-18 and 1st, 2nd & 3rd Interim Dividends declared for FY 2018-19, on due date to the Investor Education and Protection Fund ('IEPF') established by the Central Government.

During the FY 2026-27 the Company shall transfer the Unpaid/Unclaimed Final Dividend declared for FY 2018-19 and 1st, 2nd & 3rd Unpaid/ Interim dividends declared for FY 2019-20 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 and on website of the Ministry of Corporate Affairs.
 17. Members who have not yet encashed their dividend warrant(s) for Final Dividend FY 2018-19 and from the FY 2019-20 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 2025-26, the Company had, after sending reminders to concerned members

transferred Equity Shares in respect of Unpaid/ Unclaimed Dividend for FY 2017-18 and 2018-19 on due dates 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 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 24th 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 for assistance in this regard.
20. 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 or from KFinTech Website 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.
22. Members may please note that SEBI 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.

With effect from 2nd April, 2026 SEBI has dispensed with the requirement of issuance of a Letter of Confirmation (LOC) by the Company/RTA while processing service request. Accordingly, securities will be credited directly to the shareholder's demat account upon submission of valid demat account details along with the latest Client Master List. [SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated 6th February, 2026].

23. A special window, as per mandate of SEBI, is available till 4th February, 2027, to facilitate lodgement of transfer requests executed before 1st April, 2019 but were either not lodged for transfer or were lodged and subsequently rejected, returned or not attended due to deficiency in the documents. Eligible shareholders are requested to submit the requisite documents before 4th February, 2027 to Company/RTA. Securities transferred through this mechanism shall be credited only in dematerialized form and will remain under a one year lock-in, during which they cannot be transferred, lien-marked, or pledged. [SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/ I/4298/2026 dated 6th February, 2026]

The Company has communicated the opening of this special window through newspaper advertisements which are available here.

24. 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. 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.
25. SEBI 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>. [SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated 6th February, 2026].

Notice

26. 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 8th June, 2023, have launched an online application which can be accessed at <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://kprism.kfintech.com/signup>

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@kfintech.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.

27. 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.

28. 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 Wednesday, the 22nd July, 2026 at Company's email id: shares@bkt-tires.com.

29. 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 Wednesday, the 22nd July, 2026 ('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 Saturday, the 25th July, 2026 (9:00 a.m. IST) and ends on Tuesday, the 28th July, 2026 (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 Wednesday, 22nd July, 2026) 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 9th December, 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.	- For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. 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 & voting during the meeting. - Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com 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 & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - 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 (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 & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. 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 www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. 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 & 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. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & 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.
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.

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 evoting@nsdl.com 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 helpdesk.evoting@cdslindia.com 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?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. 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.

4. 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***.

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) 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.
- c) How to retrieve your 'initial password'?
 - (i) 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'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) 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 139766 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

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) 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.

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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 with a copy marked to 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 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 or call on.: 022 - 4886 7000 or send a request to Sagar S. Gudhate, Senior Manager at 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.

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. 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 for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December, 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.

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.139766 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, 22nd July, 2026 at 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 between Thursday, the 23rd July, 2026, to Monday, the 27th July, 2026.

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 non individual 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. Wednesday, 22nd July, 2026 may obtain the login ID and password by sending a request at 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 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. Wednesday, 22nd July, 2026 may follow steps mentioned in the notes to Notice under 'Access to NSDL e-Voting system'.

30. 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.
31. 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 and on the website of NSDL 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.
32. 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. Wednesday, the 29th July, 2026.

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Explanatory Statement pursuant to Sections 102(1) and 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules")

The following Statement pursuant to Section 102(1) read with Section 110 of the Companies Act, 2013 ("the Act"), sets out all material facts relating to the business mentioned in the Notice.

Item No. 6: Re-appointment of Mr. Vipul Shah as a Whole Time Director of the Company designated as Director & Company Secretary:

The Board of Directors of the Company ("the Board") at its Meeting held on 8th May, 2026 has re-appointed Mr. Vipul Shah as a Whole-Time Director to be designated as Director & Company Secretary for a period of 5 years from the expiry of his present term of office i.e. w.e.f. 11th February, 2027 to 10th February, 2032 at the following remuneration as recommended by Nomination and Remuneration Committee of the Board, with power to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in Schedule V of the Companies Act, 2013 or any statutory amendment or relaxation thereof, subject to the approval of Shareholders of the Company at its ensuing General Meeting.

Mr. Vipul Shah, aged 63 years is the Director & Company Secretary of the Company. His educational qualifications are B.COM, Company Secretary (ACS) and Diploma in Business Management. He has 38 years of experience in the areas of company secretarial compliances, finance, accounts and insurance.

Taking into consideration his duties and responsibilities as Director & Company Secretary and the prevailing managerial remuneration in industry and on recommendation of the Nomination and Remuneration Committee, the Board at their meeting held on 8th May, 2026 approved the re-appointment, remuneration, terms and conditions of the re-appointment of Mr. Vipul Shah, subject to the approval of the shareholders on re-appointment, remuneration including minimum remuneration as set below:

Salary

Salary (All inclusive): ₹ 9.91 Lacs per month

Commission: NIL

With such increments as recommended by Nomination and Remuneration Committee to the Board.

However, the maximum remuneration is subject to a ceiling of ₹ 25.00 Lacs per month during the tenure of 5 years w.e.f. 11th February, 2027 as per Companies Act, 2013 and other applicable Laws.

Perquisites:

- a) Medical reimbursement: As per the Company's Rules.
- b) Leave Travel Concession: As per the Company's Rules.
- c) Personal Accident Insurance: As per the Company's Rules.
- d) Provident Fund, Superannuation Fund and Annuity Fund: As per the Company's Rules.
- e) Gratuity: As per the Company's Rules.
- f) Leave and Encashment of Leave: As per the Company's Rules.
- g) Use of Car with Driver: As per the Company's Rules.
- h) Free Telephone, Facsimile and other Communication Facilities: As per the Company's Rules.
- i) Bonus: As per the Company's Rules.
- j) Other Perquisites: Subject to overall ceiling on remuneration mentioned herein below, Mr. Vipul Shah may be given other allowances, benefits and perquisites as the Board of Directors (which includes any Committee thereof) may from time to time decide.

Minimum remuneration

In the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the Whole time Director shall be paid remuneration by way of salary, perquisites and allowances as specified above subject to limits specified in Schedule V of the Companies Act, 2013 or any amendment thereto.

Mr. Vipul Shah satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. Mr. Vipul Shah is not disqualified from being appointed as a director in terms of Section 164 of the Act.

The above may be treated as written memorandum setting out the terms of re-appointment of Mr. Vipul Shah under section 190 of the Act.

As required under Regulation 36 of the SEBI Listing Regulations and/or Secretarial Standard on General Meetings ("SS-2"), issued by Institute of Companies Secretaries of India his brief profile and other requisite details is furnished and forms a part of this Notice.

Explanation

Except Mr. Vipul Shah, to whom the resolution relates, is concerned or interested in the resolution. No other Director and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution.

The Board recommends the Resolution as set out at Item no. 6 of the AGM Notice to the Members of the Company for their consideration and approval, by way of Ordinary Resolution.

Item No. 7: Appointment of M/s. Deloitte Haskins & Sells Chartered Accountants LLP (Firm Registration no. - 117364W/W100739) as a Statutory Auditors of Company.

Based on the recommendation of the Audit Committee, the Board of Directors has proposed the appointment of M/s. Deloitte Haskins & Sells Chartered Accountants LLP as Joint Statutory Auditors of the Company, to act along with the existing Statutory Auditors.

The proposed appointment is intended to strengthen the audit process and enhance audit coverage, considering the size, scale and complexity of the Company's operations. M/s. Deloitte Haskins and Sells Chartered Accountants LLP has provided its consent to act as Joint Statutory Auditors and confirmed its eligibility under Sections 139 and 141 of the Companies Act, 2013.

Subject to approval of the members, the Joint Statutory Auditors shall hold office from the conclusion of 64th AGM until the conclusion of the 69th Annual General Meeting, on such remuneration as may be determined by the Board of Directors in consultation with the Audit Committee.

The Board recommends the Resolution as set out at Item no. 7 of the AGM Notice to the Members of the Company for their consideration and approval, by way of Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution.

Item No.8: Ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2027:

The Board of Directors of the Company at their meeting held on 8th May, 2026, 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 31st March, 2027, at a remuneration of ₹ 6.00 Lacs 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 31st March, 2027.

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. 8 of this Notice.

The Board recommends the Resolution as set out at Item no. 8 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

Place: Mumbai
Dated: 17th June, 2026

Director & Company Secretary
DIN: 05199526

PARTICULARS OF THE DIRECTORS 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	Mr. Ashok Saraf	Mrs. Vijaylaxmi Poddar
DIN	05199526	01627873	00160484
Designation/Category of the Director	Director & Company Secretary (Executive Director)	Non-Executive Non Independent Director	Non-Executive Non Independent Director
Date of Birth (Age)	2 nd March, 1963 (63 years)	18 th March, 1956 (70 years)	2 nd December, 1960 (65 years)
Qualification	- Bachelor degree of Commerce - Diploma in Business Management - Company Secretary (ACS)	- Bachelor degree of Commerce. - Diploma in Business Management from IMC, Mumbai - Diploma in Finance Management from Mumbai University	Bachelor degree of Commerce
Date of appointment on the Board	11 th February, 2012	1 st February, 2026	30 th May, 2012
Experience and Expertise	He has experience of over 38 years in the areas of company secretarial compliances, finance and accounts	He is Industrialist with vast experience in Chemical Industry	She is an industrialist having varied experience of over 33 years, in textile / tire industry.
No. of Meetings of the Board attended during the year	6 out of 6	1 out of 1	5 out of 6
Directorships held in other companies including listed companies	NIL	- Saraf Chemicals Private Limited - Saraf Organics Private Limited - Saraf Fine Chemicals Private Limited - Supertex Chemicals Private Limited	- Clothing Culture Private Limited - MPP Trading Private Limited - Trendline Commercials Private Limited - Poddar Brothers and Investment Private Limited - Oxemberg Clothing Private Limited
Memberships/Chairmanships of committees of other Companies	NIL	NIL	NIL
Name of listed entities from which the person has resigned in the past three years	NIL	NIL	NIL
No. of shares held in the Company	NIL	NIL	1000
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	He is not related to any of the Directors, Managers or Key Managerial Personnel of the Company	She is wife of Mr. Arvind Poddar and Mother of Mr. Rajiv Poddar. She is not related to any other director or Key Managerial Personnel of the Company
Terms & Conditions of appointment / re-appointment	The terms and conditions of re-appointment is as per the Nomination and Remuneration Policy of the Company, as amended from time to time.	The terms and conditions of re-appointment is as per the Nomination and Remuneration Policy of the Company, as amended from time to time.	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 Financial Year 2025-26	₹ 1.19 Crores	₹ 0.01 Crores	₹ 0.07 Crores

ELEVATE YOUR DRIVE.



Balkrishna Industries Limited
Annual Report 2025-26

BKT
GROWING TOGETHER



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

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Financial highlights of
FY 2025-26

₹10,819Cr
Revenue

₹2,511Cr
EBITDA

₹1,221Cr
Net Profit

Elevate your drive

The world around us is evolving at an unprecedented pace. Industries are transforming, technologies are advancing rapidly, and customer expectations are rising. As a company that helps move people, goods, and industries forward, we continue to strengthen our capabilities and sharpening our focus. At BKT, 'Elevate Your Drive', means continuously raising the bar and delivering sustained performance.

Over time, we have grown into a trusted global tyre brand. Building on our legacy as a leader in the OHT segment, we are entering India's On-Highway Tyres market, with two-wheeler and commercial vehicle radial tyres. Our carbon black and specialty materials business is evolving in sync from a backward integration initiative into a key pillar of our value proposition.

We remain focused on pursuing opportunities, maintaining stable volumes and margins, and investing in capacity building. To support our next phase of growth, we will continue to build on our strong market position and creating long-term value for all stakeholders.

As we move forward, we are committed to:

Enhance our **performance**.

Enrich our **partnerships**.

Embrace our **possibilities**.

Elevate your drive.





Elevating with purpose

From the strengths that define us today to the ambitions that inspire our future, BKT's scale, purpose and global presence create momentum for sustainable growth and value for all our stakeholders.

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BKT AT A GLANCE

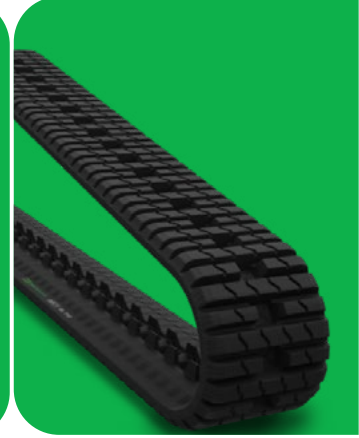
Engineering performance for **demanding applications**

BKT is an Indian multinational company and a global specialist in the Off-Highway Tyre (OHT) industry. Over four decades, BKT has built a strong position in highly specialised applications, supported by extensive technical expertise, advanced R&D and testing capabilities, reliable products, and a broad international and domestic distribution network.

Off-Highway remains our core business and principal area of expertise. At the same time, we are selectively expanding into India's On-Highway Tyre market through two-wheeler tyres, Passenger Car Radial (PCR) tyres and Commercial Vehicle Radial (CVR) tyres.

Supported by in house carbon black production, we retain greater control over quality and deliver products that offer consistent traction, reliability, and performance in demanding operating conditions.

BUSINESS SEGMENTS AND SECTORS





OFF-HIGHWAY TYRES

Specialised tyres designed for demanding applications across agriculture, construction, earthmoving, mining and quarrying, industry, and port operations.

Highlights

BKT is the largest exporter in the agricultural radial segment among Indian tyre manufacturers and the only Indian tyre manufacturer producing All Steel Radial (ASR) mining tyres. Our ASR portfolio currently extends up to 57-inch tyres, with 63-inch tyres under advanced development. We are also strengthening our presence in solid tyres, rubber tracks and other niche segments within the global Off-Highway Tyre market.

Segments

- Agriculture (MPT, ATV, Go-kart)
- Turf Maintenance
- Industrial
- Construction
- Port Operations
- OTR
- Earthmoving
- Mining

CONSUMER TYRES

Tyres developed for India's consumer mobility market, extending BKT's tyre engineering capabilities into everyday road use.

Highlights

We launched two wheeler tyres: BKT ZENOVA and BKT THYROS, and rolled out our Commercial Vehicle Radial range, including BKT m.Loadxpert and BKT Milexpert RG.

Segments

- Two-wheeler
- Commercial Vehicles

CARBON BLACK

Offerings developed for rubber and non-rubber grades, supporting internal operations and an external customer base.

Highlights

The production of carbon black ensures raw material security and consistent quality for BKT's tyre business. The manufacturing process benefits from a captive power plant at Bhuj, resulting in energy circularity and reducing reliance on coal.

Segments

- Carbon Black
- Specialty Carbon Black

VALUE PROPOSITION

What differentiates us

We continue to hone our core capabilities to deliver reliable performance across demanding applications, nurture customer relationships and support long-term value creation across markets.

CAPACITIES

Backed by a strong manufacturing network and advanced production capabilities, BKT delivers high-quality tyre solutions tailored to the evolving needs of diverse industries.

3,60,000 MTPA
Off-Highway Tyre

800 tyres/day (phase 1)
Commercial vehicle radial tyre

2,65,000 MTPA
Carbon Black

INTEGRATED MANUFACTURING ECOSYSTEM

Our manufacturing ecosystem is built on scale, integration, and operational discipline, enabling consistent quality, efficient resource utilisation, and reliable delivery.

Carbon: We combine tyre production and in-house carbon black capabilities, driving cost control, quality consistency, supply reliability and operational efficiency, while scaling capacity in line with our strategic priorities.

Mould: In-house mould manufacturing ensures precision, consistency, and quality in tyre production. It enhances design accuracy while reducing lead times and improving overall efficiency.

STRONG R&D, TESTING AND INNOVATION CAPABILITIES

Continuous investments in R&D and testing infrastructure enable us to enhance product performance, respond to evolving customer requirements and develop solutions across a wide range of applications.





EXTENSIVE AND SPECIALISED PRODUCT PORTFOLIO

The breadth and depth of our offerings enable us to address varied customer needs with solutions that deliver superior performance, durability and lower total cost of ownership.

3,600+
Number of SKUs

**Two-wheeler
tyres and CV
radial tyres
launched during
FY 2025-26**

5%+
Global market share in OHT

TRUSTED OEM PARTNERSHIPS

Long-standing relationships with leading OEMs across markets, enable us to co-develop solutions, secure consistent demand, and expand our presence across global markets.

GLOBAL DISTRIBUTION NETWORK

With a presence in over 160 countries, our distribution network widens our market reach, enhance customer proximity and maintains responsive service across replacement and OEM channels.

EXPERIENCED MANAGEMENT TEAM

An experienced management team with deep sectoral knowledge, cross-functional expertise and a clear vision ensures disciplined execution, prudent capital allocation, operational resilience and strategic expansion.

SUSTAINABILITY-LED AND RESPONSIBLE GROWTH ORIENTATION

Calibrated initiatives across energy, emissions, water, waste and social aspects for responsible growth.

PRESENCE

Built in **India**. Connected to the **world**.

We combine our strong manufacturing base in India with an international network of subsidiaries, distributors and commercial partners serving more than 160 countries. This integrated model enables us to help customers with technical support by leveraging our local market expertise, while ensuring consistent production, quality and supply.

5

Continents

160+

Countries

5

Manufacturing locations

INTERNATIONAL SUBSIDIARIES

- BKT Europe S.R.L.
- BKT USA Inc.
- BKT Tires Inc.
- BKT Tires (Canada) Inc.
- BKT Netherlands B.V.





PRODUCTION FACILITIES

TYRE MANUFACTURING

Bhuj (Gujarat); Bhiwadi & Chopanki (Rajasthan); Waluj (Maharashtra – 2 units)

RUBBER TRACK MANUFACTURING

Bhuj (Gujarat)

CARBON BLACK MANUFACTURING

Bhuj (Gujarat)

MOULD MANUFACTURING

Bhuj (Gujarat); Dombivli (Maharashtra)

DRUM MANUFACTURING

Dombivli (Maharashtra)

WIND FARM

Jaisalmer (Rajasthan)

R&D CENTRE AND TYRE TEST TRACK

Bhuj (Gujarat)



FEATURE

Advancing with purpose towards 2030

Built on nearly four decades of proven performance, our journey reflects an organisation that has matured with purpose, continuously evolving to meet changing market realities and stakeholder expectations. We have evolved through steady capacity expansion, a strong OHT foundation and gradual portfolio diversification.

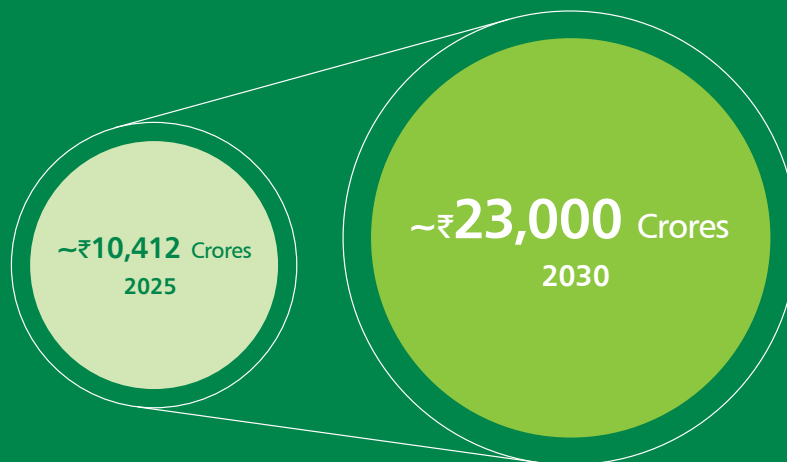




Vision 2030

Our objective is to build a more diversified and future-ready BKT while reinforcing our leadership in Off-Highway Tyres. We are working to expand our presence in On-Highway Tyre segments, scale the Carbon Black business and create a more balanced revenue mix. Near-term priorities include ramping up the utilisation of expanded capacities, deepening market penetration and ensuring timely project execution. These efforts are supported by operational excellence, continued investments in R&D and innovation, including the NATRAX facility in Indore, sustainability initiatives across the value chain, and a strong foundation of leadership, talent and global partnerships.

2.2x REVENUE GROWTH BY 2030



Strategic growth lever	Core revenue target (FY30)	Market share goal	Key enablers and infrastructure	Production timelines
Off-Highway Tyres (OHT) and Tracks	~70%	~8% global market share	Capacity expansion to 4,25,000 MTPA; producing 57", we are now going to 63" sizes, with global outreach across OHT segments	Ongoing: Scaling capabilities
On-Highway Tyre (India)	~20%	~5% domestic market share	Entry into CV, radial tyres and 2W tyres; supported by R&D at NATRAX	Ongoing: Truck Bus and Radial tyre ramp up
Carbon Black	~10%	Preferred supplier across segments	Capacity at 2,65,000 MTPA and remaining on track; 64 MW power plant completed	Expansion expected to be completed in Q1 FY 2026-27

FEATURE: ADVANCING WITH PURPOSE TOWARDS 2030

KEY MILESTONES ACROSS OUR JOURNEY

Phased expansion, product innovation, and backward integration have shaped our trajectory thus far, enabling us to move from establishing OHT leadership to scaling operations and foraying into new segments.

1987

First plant in Aurangabad inaugurated by Founder Chairman, Late Mr. Mahabirprasad Poddar

1995

Commenced production of Off-Highway Tyres



2004

Launched radial Agrimax tyres



2003

Began production of ATV, gardening, and earthmoving tyres

2002

Plant established in Bhiwadi, Rajasthan

2006

Plant commissioned in Chopanki, Rajasthan

2008

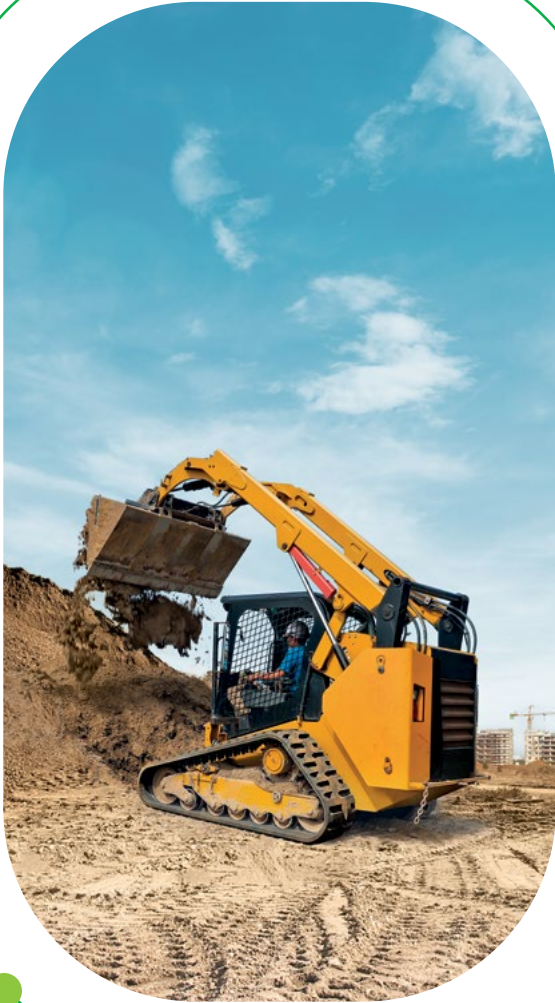
Launched Earthmax tyres

2009

Crossed ₹1,000 Crore turnover

**2022**

Commercialised brownfield tyre plant at Bhuj

**2023**

Expanded Waluj capacity

2024

Completed capex for Advanced Carbon materials

2025

Announced capex for premium passenger car and commercial vehicle radial tyres

2026

Expanding into new segments (2W, PCR and CVR)

2021

Commercialised new replacement plant: Waluj 2 plant

2020

Achieved Carbon Black self-reliance with Phase 2 completion at Bhuj

2018

Announced capex for Waluj, Bhuj facilities and Carbon black plant commissioned

2011

Redefined the brand through strategic rebranding

2015

Initiated greenfield plant at Bhuj, Gujarat





Elevating with confidence

In a rapidly evolving business landscape, BKT advanced with confidence, transforming ambition into meaningful outcomes and reinforcing the foundations for continued leadership and lasting impact

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MESSAGE FROM THE CHAIRMAN AND MANAGING DIRECTOR

From a strong foundation to a **brighter future**

DEAR SHAREHOLDERS,

BKT enters its next phase of growth from a position of industrial strength, technical expertise and global market experience. As we reinforce our leadership in Off-Highway Tyres and expand into new mobility segments, our priority remains clear: to grow with discipline, invest with purpose and create lasting value for all our stakeholders.



Arvind Poddar

Chairman and Managing Director



“

We are building BKT's future on the strength of what we know best: engineering excellence, disciplined execution and the confidence to expand without losing focus on our core."

MESSAGE FROM THE CHAIRMAN AND MANAGING DIRECTOR

THE OPERATING ENVIRONMENT

Global output is now projected to expand by about 3.1% in 2026, a downward revision driven largely by the geo-political conflicts and the renewed pressure it has placed on energy prices, supply routes and global trade, with worldwide headline inflation expected to edge up to around 4.4%, from roughly 4.1% a year earlier. While these conditions have added complexity for manufacturing enterprises globally, they have also reinforced the importance of long-term discipline, clarity of direction and institutional resilience.

At the same time, India's emergence as one of the world's most dynamic manufacturing and consumption markets continues to present compelling opportunities. The Indian economy is estimated to have grown by approximately 7.3% in FY 2025-26 and is projected to remain the world's fastest-growing major economy in FY 2026-27, with growth of around 6.9%. This resilience is supported by relative macroeconomic stability.

In parallel, the Government's sustained capital expenditure on core infrastructure, including roads, ports, and airports, along with various supportive measures such as GST reductions and policy initiatives, is expected to remain a key driver of economic growth. Structural trends such as increasing mechanisation, expanding mobility needs, and broad-based credit growth are creating sustained tailwinds for specialised, high performance tyre solutions. In addition, the continued focus on mining and resource extraction—particularly in strategic areas such as rare earth mining—remains critical to the economy and presents significant opportunities, especially for high performance, application specific tyre solutions. Rising consumer confidence, supported by improving access to credit, is also expected to drive demand across mobility linked consumer segments. Additionally, policy initiatives continue to strengthen domestic manufacturing. These macroeconomic and industry trends align well with BKT's capabilities and reinforce our confidence in the long term growth potential of both the industry and our business.

We remain mindful of the persistence of global headwinds. Fragile supply chains, currency volatility, and protectionist tendencies continue

to shape the operating environment. The Indian rupee, having touched record lows against the US dollar amid geopolitical tensions, however, our focus remains on response rather than reaction. Over time, we have consciously built structural shock absorbers into the business – diversified markets, integrated manufacturing, prudent financial discipline, strong governance and a broadened portfolio. These capabilities position BKT to absorb volatility, adapt with agility, and continue investing with a long-term perspective.

OUR FOUNDATION AND PHILOSOPHY

BKT's journey has been anchored in a simple but deeply held belief: that world-class manufacturing in India can serve global markets with confidence. As a focused Off-Highway Tyre manufacturer, we have grown into a trusted global brand. This legacy has been built on engineering depth, manufacturing discipline, customer trust and our enduring philosophy of 'Growing Together.'

In recent years, we have taken deliberate steps to broaden this foundation. While leadership in Off-Highway Tyres remains central to our identity, we have expanded into new tyre categories and carbon black business to create an integrated and sustainable business model. These choices are aimed at building a self-sustaining institution, one that is not overly dependent on a single market, geography or cycle.

MANUFACTURING EXCELLENCE AT THE CORE

Manufacturing excellence remains the foundation of trust for BKT. It is not merely an operational metric, but the assurance that allows customers, partners and regulators to rely on us across cycles. Consistency, safety and quality are the bedrock upon which our diversification and future growth are being built.



“

Our leadership in Off-Highway Tyres remains central to who we are. At the same time, we are expanding into new tyre categories and strengthening our carbon black capabilities to build a more integrated and resilient business model.”

RESPONSIBLE GROWTH AND OUR PEOPLE

Responsible growth remains fundamental to our identity. Sustainability, governance and stakeholder trust are integral to our operations. Our people are the custodians of these values, and the enduring relationships we enjoy with customers and partners remain our strongest validation.

A YEAR OF RESILIENCE

Looking back, I would define the year as one of resilience. In an environment that often rewards reaction, we chose continuity. We continued to invest in capabilities, strengthen our manufacturing platform and protect long term relationships, even as external conditions remained volatile.

PREPARING FOR THE FUTURE

We are also preparing the organisation for a future shaped by powerful macro drivers. Artificial intelligence and digitalisation are reshaping how products are designed and how factories operate. Our approach is deliberate, modernising with purpose so that these forces pave the way for our next phase of growth.

ADVANCING TOWARDS VISION 2030

As we advance towards Vision 2030, I do so with measured confidence, rooted in capability, strengthened by execution and guided by a clear sense of purpose. On behalf of the Board, I reaffirm our commitment to sustainable growth, long term value creation and the trust that all stakeholders have placed in BKT.

Best regards,

Arvind Poddar

Chairman and Managing Director

MESSAGE FROM THE JOINT MANAGING DIRECTOR

Progressing with purpose

DEAR SHAREHOLDERS,

Vision 2030 set us a clear destination: to grow BKT to ₹23,000 Crores in revenue by FY 2029-30, built on three engines: Off-Highway Tyres, Carbon Black, and our new On-Highway business. FY 2025-26 was a year of execution against that plan.

“

This year marked an important milestone for BKT: our entry into India's on-highway tyre market. The launch of BKT ZENOVA and BKT THYROS in the two-wheeler segment, together with our Commercial Vehicle Radial range, including BKT m.LoadXpert and BKT MilesXpert RG, reflects our ambition to expand into new mobility segments while building on our industrial strength."





PERFORMANCE THROUGH DISCIPLINE

Standalone operational revenue was ₹10,819.95 Crores, led by strong replacement demand. Off-Highway Tyres, our core, carried the year: India was steady, the Americas were improving and Europe was firmer in the second half.

Across our plants, the basics are upheld every day: quality at source, safety, and on time delivery, converting scale into operational strength. At the same time, we reshaped our customer facing organisation to create greater ownership and accountability. New Product Development, Portfolio Management, Field Engineering and Customer Engagement are now our core levers to win share in key markets, and we are beginning to see early gains from this approach.

BUILDING THE ON-HIGHWAY BUSINESS

Our biggest step this year was entering the On-Highway market, with the launch of two-wheeler tyres, BKT ZENOVA and BKT THYROS, and the rollout of our Commercial Vehicle Radial range, including BKT m.Loadxpert and BKT Milexpert RG.

The business is progressing from launch to momentum, supported by encouraging customer acceptance. In parallel, we are building our India distribution network to support scale up across the two wheeler and commercial vehicle radial segments, with execution aligned to Vision 2030.

ONE BRAND, TWO PILLARS

We unified the group under 'BKT – Growing Together', structured around two pillars: BKT Tyres, covering our full tyre portfolio, and BKT Carbon, representing our carbon black and speciality materials business.

For the tyre business, our brand promise, 'Elevate Your Drive,' is guiding our consumer engagement, supported by product introductions, focused communication, and a distinctive sonic identity, #SoundOfBKT, enhancing recall and building a more differentiated brand presence. Similarly, for BKT Carbon, the introduction of 'Your Success, Our Priority.' establishes a clearer, independent identity within the broader industrial ecosystem.

INVESTING FOR THE LONG TERM

We continued to invest with clarity of purpose and discipline. Capital expenditure for the year was ₹2,984 Crores, part of the cumulatively announced capex outlay of ₹6,800 Crores to be deployed through FY 2028-29. This supports capacity expansion, AI-enabled automation, sustainability, and capability building across the organisation.

On the operational front, we strengthened our global presence and systems. During the year, we inaugurated

our office in the Netherlands, enhancing our proximity to key European markets and supporting our international business. We also deepened our focus on digitalisation across functions, including digital supply chain initiatives to improve traceability, visibility, and responsiveness for our distributor network.

At the same time, we continued to strengthen our digital backbone across the organisation, spanning customer-facing systems, order-to-cash processes, manufacturing automation, and enterprise platforms. Initiatives such as a Customer Relationship Management platform, production traceability, factory-level Manufacturing Execution Systems (MES), and SAP S/4HANA are enhancing visibility, efficiency, and control across operations, enabling stronger integration from plant to market and improving responsiveness, quality, and decision-making at scale.

MANAGING VOLATILITY AND BUILDING RESILIENCE

Volatility in raw material prices remained a defining feature of the operating environment. Our response has been to strengthen sourcing flexibility, improve material efficiency, and maintain cost discipline, enabling us to absorb these fluctuations without compromising execution.

At the same time, structural shifts in global supply chains are creating new opportunities. As manufacturing moves towards near-shoring, integrated players with strong engineering depth and scale are increasingly recognised as reliable partners. For BKT, this strengthens our role within global supply chains while also supporting the expansion of our presence across export markets.

MOVING FORWARD

Our priorities are clear: grow Off-Highway and Carbon Black profitably, take On-Highway from launch to scale, and use technology to lift efficiency and quality.

With FY 2025-26 behind us, we are firmly on the path to our ₹23,000 Crores Vision 2030 goal. We enter the year with a strong balance sheet and in diversified markets, mindful of external risks, but confident in our ability to sustain profitable growth across cycles.

My thanks to our employees, customers, partners, suppliers, investors, and government bodies whose trust allows us to invest, innovate and build. Together, we will build on today's momentum and lay the foundation for a stronger, more diversified and more resilient BKT.

Best regards,

MR. RAJIV PODDAR

Joint Managing Director

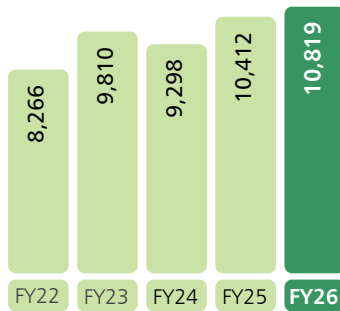
KEY PERFORMANCE INDICATORS

Steady momentum

FINANCIAL

Sales Revenue

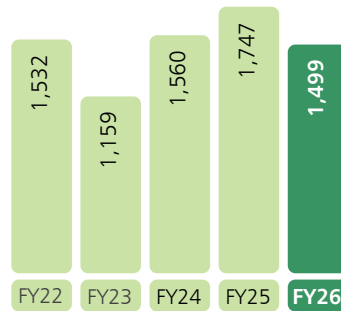
(₹ in Crores)



3.91% YoY ↑

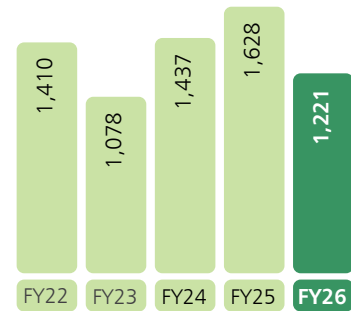
Operating Profit

(₹ in Crores)



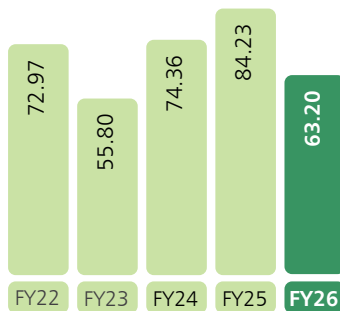
Net Profit

(₹ in Crores)



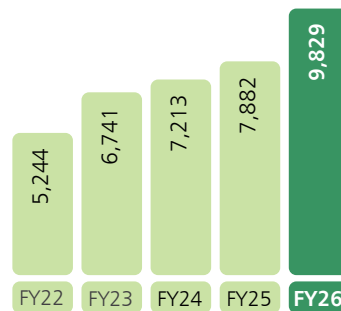
Earnings Per Share

(₹)



Fixed Assets

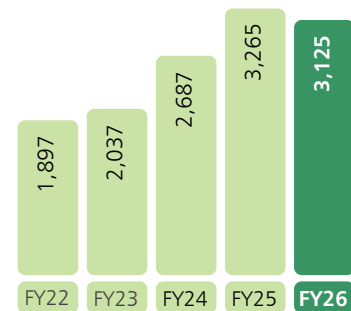
(₹ in Crores)



24.7% YoY ↑

Investments

(₹ in Crores)

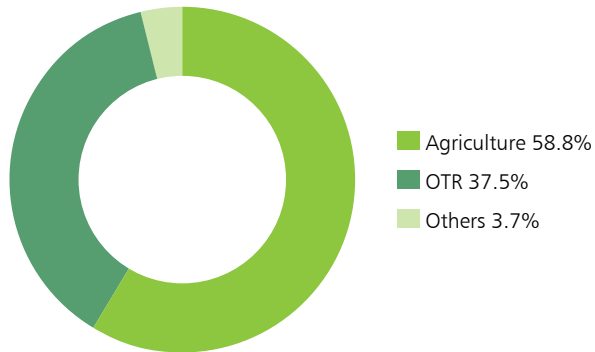


↑ YoY growth

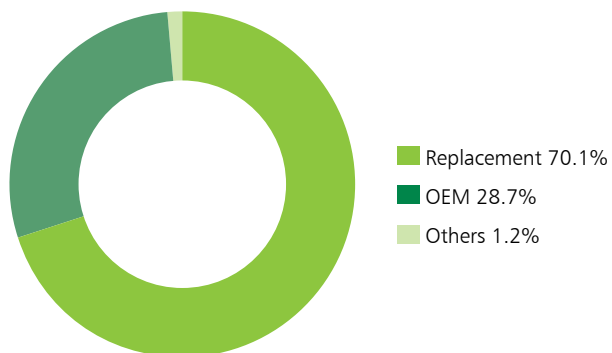


NON-FINANCIAL

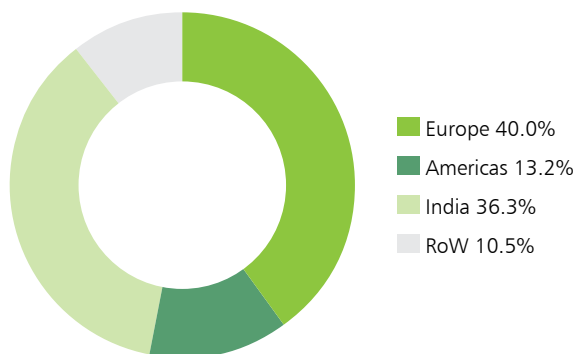
Segmental Sales



Channel Sales



Geography-wise Sales



STRATEGIC LEVERS

Positioned for the next phase

Our strategy is built on three focused levers: strengthening global leadership in Off-Highway Tyres (OHT), growing the Carbon Black business, and expanding presence in the On-Highway Tyre segment.



Strengthening global leadership in Off-Highway Tyres (OHT)

The OHT segment is our primary growth engine and is projected to contribute 70% of our FY 2029-30 revenue. To support this trajectory, we are pursuing a phased investment approach. Ongoing capex and debottlenecking initiatives are expected to further enhance capacity and support long term growth.

Progress

Bolstering capabilities

As the only tyre manufacturer in India producing All Steel Radial (ASR) mining tyres up to 57-inch, we are now advancing towards developing 63-inch ASR tyres, expanding our capabilities in the giant OTR tyre segment.

Operational milestones

Received the 'Excellence Level' award from Caterpillar for the fourth consecutive year, recognising our consistency in both quality and delivery. Our 57-inch ASR tyres have achieved a benchmark life exceeding 10,000 hours, outperforming international peers.

Market resilience

Despite geopolitical headwinds, the business maintained steady growth momentum in H2 FY 2025-26 reflecting continued progress across key markets.

Refer page 82 for further details



Growing the Carbon Black business

Initially set up for captive consumption, BKT Carbon is now a trusted supplier of carbon black to leading tyre manufacturers in India, reflecting the quality, reliability and competitiveness of our offerings.

Progress

Specialty carbon black

Secured approvals for select grades across plastics, pressure pipes, power cables and inks, expanding presence in value-added applications.

Capacity enhancement

Increased Carbon Black capacity to 2,65,000 MTPA through expansion, supporting future growth and targeted to expand to 3,60,000 MTPA.

Integrated energy infrastructure

Commissioned a 24 MW cogeneration power plant, taking total capacity to 64 MW.

Refer page 84 for further details

Expanding presence in the On-Highway Tyre segment

As part of our calibrated expansion strategy, we are entering the two-wheeler, Passenger Car Radial (PCR) and Commercial Vehicle Radial (CVR) segments to address the market opportunity in India.

Progress

Infrastructure

Inaugurated a dedicated Vehicle Dynamics & Testing (VD&T) base at NATRAX in Indore to accelerate product development.

Market entry

Announced landmark entry into India's consumer tyre market with the launch of its on-highway portfolio with purpose-built products for Two Wheelers (scooters and motorcycles) and Medium and Heavy Commercial Vehicles (M&HCV).

Refer page 83 for further details





Elevating what drives us

Operational excellence, focused innovation and a distinct brand identity drive BKT forward. They sharpen our competitive edge, deepen customer trust and fuel the momentum for sustained growth and value creation.

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OPERATIONAL EXCELLENCE

Creating an agile enterprise

The deployment of technology-enabled systems is enhancing real-time visibility across operations, enabling faster decision-making, improving responsiveness to evolving business needs, and optimising capacity utilisation across our facilities. These developments are reducing manual interventions, augmenting process reliability, boosting productivity and reinforcing safety across our facilities.



DIGITALISATION INTERVENTIONS

During the year, we accelerated our digital transformation initiative across manufacturing and business processes to enhance operational efficiency, visibility and decision-making. Production planning and execution were transitioned to integrated, system-driven workflows, enabling real-time monitoring and seamless connectivity with enterprise platforms. We have digitalised the Kaizen process, creating a structured framework to capture, track and drive continuous improvement measures across our plants.

Digital maintenance modules were deployed to strengthen maintenance planning and improve equipment reliability. In parallel, an end-to-end contract labour management system has been implemented to enhance compliance governance, attendance and wage administration. Vendor evaluation processes were automated, improving compliance monitoring and reinforcing supply chain governance.



SAFETY-FIRST CULTURE

We maintain a safe working environment through:

- A digital near-miss reporting system to enable proactive risk identification
- Clearly defined pathways to separate pedestrian and vehicle movement
- Adherence to Standard Operating Procedures (SOPs)
- Emphasise the use of personal protective equipment (PPE)
- Proactive reporting of unsafe conditions and heightened workplace awareness



MANUFACTURING PROFICIENCY

During the year, we focused on:

- Refining production processes across plants
- Enhancing quality control mechanisms to ensure consistency
- Driving cross-functional collaboration to enhance operational efficiency
- Embedding lean manufacturing principles to reduce waste and variability
- Optimising processes across calendaring, cutting and tyre building to improve material utilisation



BHUJ: MANUFACTURING EXCELLENCE IN ACTION

- One of the largest integrated plants in the Off-Highway Tyres segment
- Operates at high utilisation levels, consistently catering to global as well as local demand
- Improves energy efficiency through captive power generation
- Accelerates product validation through in-house top-notch R&D and tyre testing infrastructure

R&D AND INNOVATION

Excellence in science and engineering

As we expand our tyre portfolio and applications, we continue to innovate to address evolving customer needs and market requirements. Our R&D team collaborates closely with product marketing and technical service functions to better understand customer response through a structured feedback loop, field trials and application-level testing. This approach provides deeper insights into product performance, sharpens our competitive edge and reinforces our leadership position.



R&D FOCUS AREAS

Development of new materials, including sustainable, recycled, and nano-materials for off-highway tyre applications

Portfolio diversification by developing new designs and products

Continuous improvement in processes and product performance

Advancement of manufacturing processes for quality, energy efficiency and pollution control

Deeper engagement with customers, OEMs and suppliers



INTEGRATED R&D CAPABILITIES

Our R&D centre at Bhuj operates as a dedicated function, enabling focused research while maintaining close integration with manufacturing to bring innovations from concept to production.

Case study



R&D ecosystem at Bhuj

The Mahabirprasad Poddar Knowledge Centre (MPKC) at Bhuj houses the Suresh Poddar Innovation Hub (SPIH), a purpose-built R&D complex with advanced analytical, chemical, and physical labs; a 1,300 sq. m. tyre testing centre; and a 23-acre test track for real-world validation.

Impact

- End-to-end capability from material development to product validation
- Faster development cycles through integrated testing and research
- Enhanced product reliability and performance

Outcome

Strengthened innovation capabilities, enabling faster and high-quality product development and supporting long-term technological leadership.

R&D AND INNOVATION

TESTING, SIMULATION AND PERFORMANCE VALIDATION

Our testing and validation capabilities ensure product reliability and compliance with global standards.

Our approach includes:

**Rigorous testing
and benchmarking
across applications**

**Use of simulation
tools to predict
performance and
optimise design**

**Continuous
feedback integration
from field
performance**

**Rapid iteration
and validation
to accelerate
development cycles**





Accelerating product development through virtual simulation

We leveraged Finite Element Analysis (FEA) to enable virtual testing across a wide range of tyre segments. This allowed rapid evaluation of footprint, durability, heat performance, and structural integrity across multiple design iterations.

Impact

- ~87% reduction in testing time
- 97 prototypes avoided
- Faster design optimisation

Outcome

FEA-led development significantly improved speed and precision, while supporting sustainability through reduced physical testing and resource consumption.

FEATURE

Accelerating our brand journey

As we expand our presence across markets and segments, we are accelerating our brand journey, moving from a product-led identity to a more integrated, experience-driven brand that engages, resonates and builds lasting connections.





BKT 2.0: A NEW BRAND ARCHITECTURE

We introduced BKT 2.0, a unified brand architecture designed to bring greater clarity and alignment across our operations. At the core is our corporate identity, 'BKT – Growing Together', representing our vision, values and commitment to sustainable growth.

Under this umbrella, our business is organised into two distinct pillars: BKT Tyres, encompassing our Off-Highway and On-Highway tyre portfolio, and Carbon Black, representing our carbon black and Speciality Materials business.

The architecture reflects our evolution into a more diversified and integrated enterprise, enabling each business to build a distinct market presence while remaining anchored to a common corporate identity.

The rollout is across global operations and communication platforms, supporting our long-term growth ambitions.



MARKETING INITIATIVES

Building visibility, expanding reach

We are strengthening our market presence through focused marketing initiatives and strategic partnerships. By combining compelling brand storytelling, customer-centric engagement, global sports associations, OEM collaborations, and industry platforms, we are enhancing visibility, expanding reach and building stronger stakeholder connections.

BRAND PROMISE

Elevate Your Drive: Our unified brand promise

BKT's evolution from specialised tyre brand to a broader mobility-driven enterprise is reflected through 'Elevate Your Drive'. As we continue to enhance our presence across Off-Highway and On-Highway Tyres segments, 'Elevate Your Drive' acts as a unified brand promise, consistently raising our performance and enhancing the customer experience.

Communicating this brand promise and to mark our entry into the On-Highway Tyre segment, we launched a

multi-platform advertising campaign featuring our brand ambassador, Ranveer Singh. This campaign positioned BKT as an enabler of ambition, performance and forward momentum.

Rolled out across television, digital and social media platforms, the campaign is a significant milestone in BKT's evolution into a broader mobility brand, reassuring consumers on our commitment to quality, safety and reliability.

360+

Media coverage driving significant brand visibility and strengthening recall across key markets



Brand ambassadors: Bringing 'Elevate Your Drive' to life

Through our brand ambassadors, 'Elevate Your Drive' comes to life by combining aspiration with performance. Ranveer Singh drives consumer connect through his cultural relevance and mass appeal, while Ravichandran Ashwin reinforces trust, discipline, and reliability. Together, they embody BKT's commitment to enabling progress through inspiration and performance.



Watch the campaign [➤ HERE](#)



Watch the campaign [➤ HERE](#)

Amplifying our brand promise with #SoundOfBKT

As part of our efforts to strengthen brand recall, we introduced #SoundOfBKT: a sonic identity developed in alignment with our brand philosophy, 'Elevate Your Drive'. Designed to create a consistent brand experience across touchpoints, it represents a new dimension in how we express and position the BKT brand.

Integrated across campaigns and engagement platforms, #SoundOfBKT establishes a recognisable and cohesive brand presence across media, partnerships and activations.

By adding a sonic dimension to our brand, we are evolving our approach to brand building, from focusing solely on visibility to creating memorable, multi-sensory emotional connections with our audience.



STRATEGIC PARTNERSHIPS

Partnerships as growth enablers

We leverage strategic partnerships across both brand building platforms and OEM relationships, each serving a distinct role in driving our growth. While our sports associations are curated engagements designed to enhance global visibility, strengthen recall, and expand audience reach, our OEM partnerships are built on product performance, engineering excellence, and customer trust.

Together, these partnerships create a balanced growth engine enabling us to strengthen our market position, deepen customer engagement, and support long term growth across geographies.

Driving brand visibility and engagement through sports partnerships

Our long standing global sports associations continue to serve as high impact platforms to deepen consumer engagement across key markets.

With a diversified presence across football, cricket, rugby, basketball, motorsports, curling, and e-sports, we have built a consistent and scalable platform for brand exposure, enhancing recognition across India, Europe, North America and Australia.

While these partnerships are anchored under BKT Tyres, the resulting brand visibility extends beyond tyres – supporting our Carbon Black business by strengthening overall corporate recognition and credibility across customer segments.





Deepening engagement

Through cricket and football partnerships, we are expanding our reach and enhancing brand affinity across key markets. Beyond visibility, these collaborations foster sustained engagement through on-ground activations, fan interactions and community-led initiatives.

Football partnerships (Italy, Spain and France)

Our association with leading football platforms, including the Royal Spanish Football Federation (RFEF), strengthens our presence within one of the world's most widely followed sporting ecosystems.

As the Official Tyre Partner of the Copa del Rey Final and sponsor of Spanish referees, this partnership enhances brand visibility across Europe and supports our efforts to build recognition and affinity in strategically important markets.



Cricket partnerships (India and global markets)

India Men's T20 Cricket: Eight-team partnership

Through partnerships with eight franchises in India's premier men's T20 cricket league, we have significantly expanded our visibility among cricket audiences, strengthening brand recall across one of India's most widely followed sporting platforms.

India Women's T20 Cricket: Championing women's cricket

Marking our first year as the Official Tyre Partner of all five teams competing in India's premier women's T20 championship, we are supporting the growth of women's sport, reinforcing our commitment to inclusion, and expanding brand association with progressive, high-growth platforms.

International Cricket: Australia-India ODI and T20 Series

As the naming rights partner of the India–Australia ODI and T20 series, we have further strengthened our presence in global cricket, enhancing visibility across international audiences and markets.

MARKETING AND STRATEGIC PARTNERSHIPS





Enhancing accessibility through OEM partnerships

Our relationships with leading OEMs continue to provide a strong foundation for stable demand, product validation, and global market access. Thus, reflecting the strength of our technical expertise, product reliability and credibility across markets.

We serve leading global OEMs across agriculture, construction, mining, industrial and material-handling equipment sector, which:

- Reinforces product credibility, reflecting strong customer confidence in our quality, performance and engineering capabilities
- Creates scalable opportunities, supporting market expansion, strengthening our global footprint and driving sustained growth

Global OEM partners

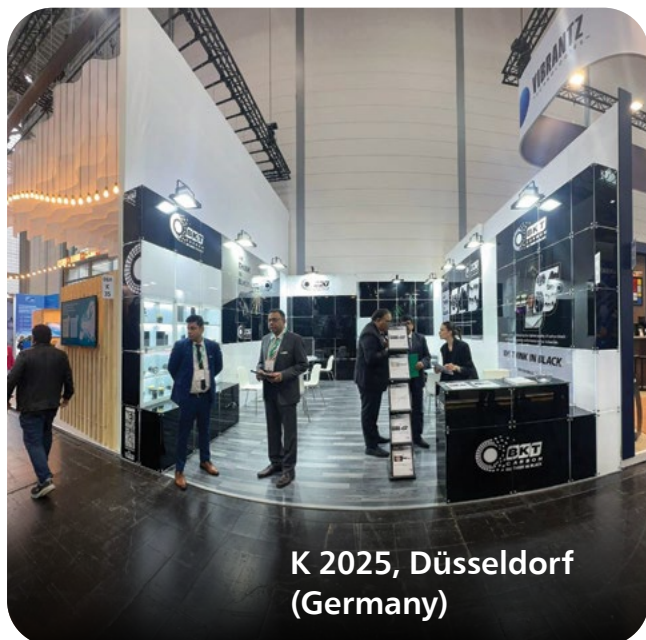


Note: The brand names and logos mentioned are the property of their respective owners and are used here for identification purposes only.

MARKETING AND STRATEGIC PARTNERSHIPS

SHOWCASING OUR PRODUCTS THROUGH EXHIBITIONS

Participation in leading global exhibitions provides a platform to showcase our capabilities, deepen customer engagement and expand our business pipeline, supporting growth across markets and geographies.



**K 2025, Düsseldorf
(Germany)**

Debut as a global Specialty Carbon supplier

Objective

To introduce BKT Carbon as a global supplier to the plastics and rubber industry, beyond captive consumption.

Approach

Showcased carbon black solutions across applications such as agricultural films, wire & cable, and automotive components, highlighting product versatility and technical capability.

Outcome

Marked BKT's transition from internal integration to a market-facing business, with a targeted capacity scale-up to ~3,60,000 MTPA by 2026, positioning carbon black as a strategic growth lever.

Construction and industrial challenges

Objective

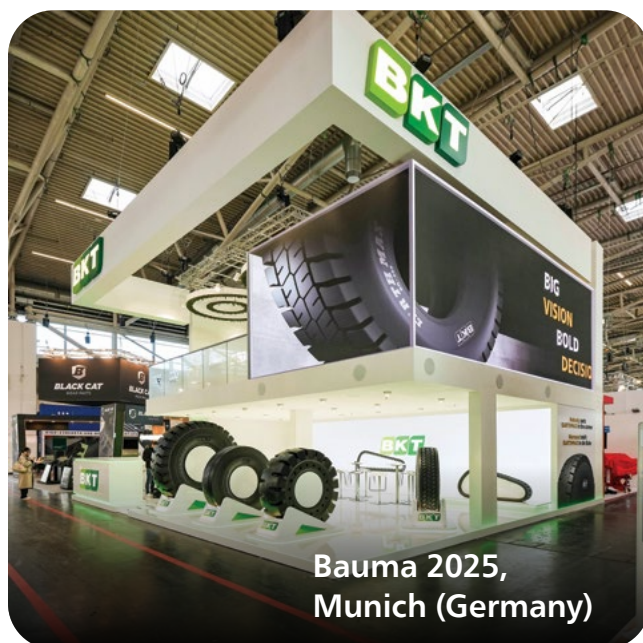
To showcase specialised solutions addressing the performance demands of OTR and industrial applications.

Approach

Displayed high-performance products, including the MULTIFORCE BK T92 rubber track series and large-format EARTHMAX SR 468 tyres for rigid transport vehicles.

Outcome

Strengthened positioning in the construction and mining segments, highlighting capability in high-load, high-durability applications.



**Bauma 2025,
Munich (Germany)**



Engineering sustainability into tyre reinforcement

Objective

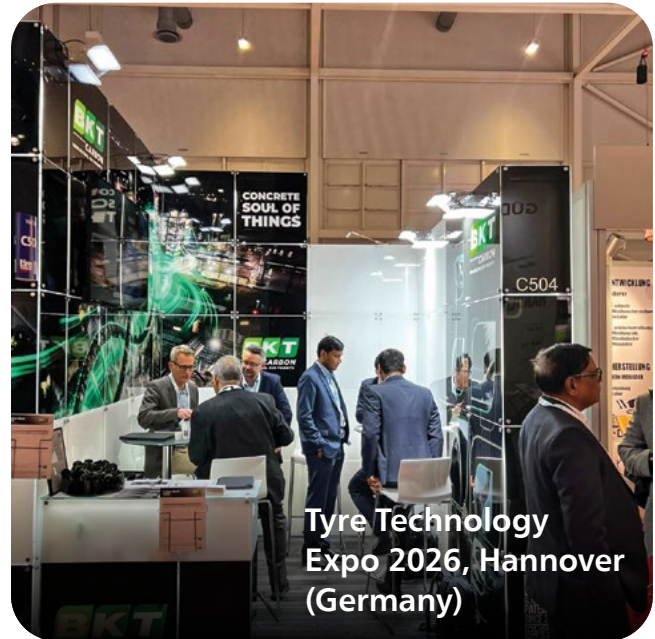
To strengthen presence in European markets across TBR, PCR and OTR segments while reinforcing sustainability credentials.

Approach

Introduced carbon black solutions incorporating circular feedstocks, enabled through advanced process control. Simultaneously, unveiled a refreshed brand identity anchored in customer-centricity.

Outcome

Enhanced positioning as a sustainability-driven partner, while reinforcing brand alignment with evolving industry expectations.



Tyre Technology Expo 2026, Hannover (Germany)



AGRITECHNICA 2025, Hannover (Germany)

Solutions for tomorrow's farmers

Objective

To demonstrate advanced tyre technologies aligned with evolving agricultural needs.

Approach

Featured solutions, such as AGRIMAX PROHARVEST VF, focused on soil preservation and high-performance machinery. Continued engagement with industry platforms through association with Tractor of the Year (TotY).

Outcome

Reinforced leadership in agricultural tyres, with a continued focus on innovation, productivity and sustainable farming practices.

BKT CARBON: PARTNERING FOR PERFORMANCE AND GROWTH

As part of our evolving business portfolio, we have articulated a distinct brand identity for BKT Carbon, anchored in the brand promise 'Your Success, Our Priority'. This reflects our transition from being a material supplier to a strategic partner committed to supporting the long term growth, performance and operational efficiency of our customers.





Elevating, responsibly

Every step forward is guided by our commitment to responsible growth. By advancing our environmental, social and governance priorities, BKT strengthens stakeholder trust and contributes to sustainable progress.

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ESG APPROACH

Growing together

At BKT, it is our consistent endeavour to shape a better tomorrow for our customers, communities and the planet. Guided by our Environmental, Social, and Governance (ESG) principles, we align our approach with globally recognised benchmarks, including the UN SDGs, GRI, SASB and SEBI's BRSR guidelines.

Our sustainability agenda is steered by the Board of Directors and the Business Responsibility and Sustainability Committee (BRSC), which oversee its implementation and track performance against defined KPIs. Supported by policies, such as our Code of Conduct and Diversity and Inclusion Policy, our ESG principles are integrated within our enterprise risk management framework - ensuring accountability, transparency, and responsible business practices across the organisation.

STRATEGIC ESG PRIORITIES: DRIVING MEASURABLE PROGRESS

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

Climate
resilience

Circularity

Inclusive
growth

Integrity-led
governance



BKT SUSTAINABILITY DAY

This year, we celebrated the first BKT Sustainability Day, an occasion to reflect on our progress and reaffirm our commitment to a greener future. For us, sustainability is central to how we create long-term value for our stakeholders, guided by our triple bottom line of People, Planet and Profit.

The occasion highlighted our progress across key focus areas, including energy efficiency, water stewardship, biodiversity, governance, diversity and inclusion. It also showcased the contribution of our integrated Carbon Black operations in supporting resource efficiency and strengthening circularity within our manufacturing ecosystem.

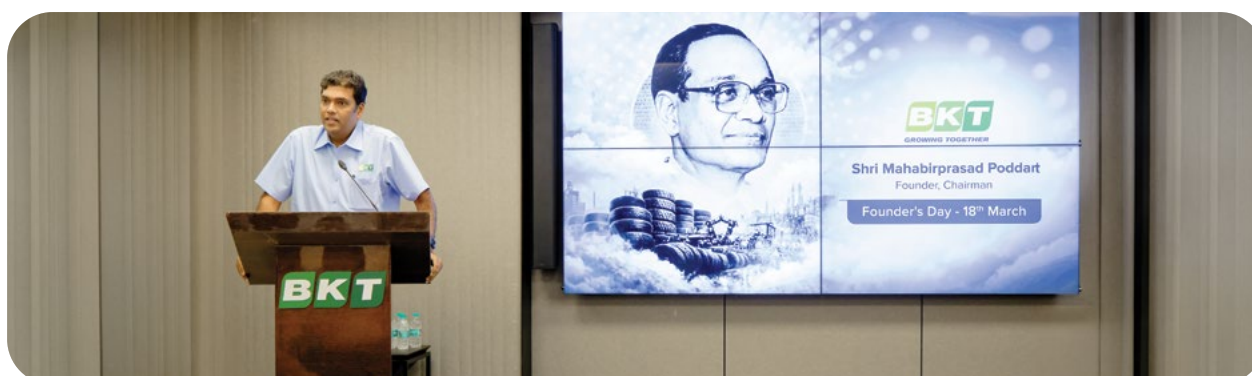
We believe that meaningful change begins with individual actions. To bring this idea to life, employees were provided with seed pencils as a symbol of environmental responsibility and collective action. The initiative complemented our broader environmental efforts, including the plantation of more than 1,30,000 trees in and around Bhuj despite the region's low rainfall conditions, demonstrating how sustained actions can create a lasting impact over time.



FOUNDER'S DAY

The occasion marked the beginning of a new tradition for BKT, honouring the vision, entrepreneurial spirit and values of our founder, Mahabirprasad Poddar. Discussions centred on organisational evolution, operational excellence, ongoing learning and the need to adapt to a changing business environment while remaining true to our core values.

Through leadership reflections, the management highlighted the significance of discipline, collaboration, courage and community in building a resilient organisation. A special Leadership Voices session offered valuable perspectives on purposeful leadership, innovation and long-term value creation.



ENVIRONMENT

Shaping a sustainable future

Scale brings responsibility and we are conscious about how we grow. Resource efficiency, circularity and climate resilience are integrated across day-to-day operations, ensuring that our progress remains sustainable and responsible. In FY 2025-26, we deepened this commitment through targeted initiatives across energy, emissions, water, and waste management, supported by measurable outcomes and continuous improvement efforts.

SUSTAINABLE STRATEGY AND CLIMATE RESILIENCE

- Strengthened energy efficiency through capacity enhancement in carbon black operations
- Adopted the IFRS-S2 framework for climate-related disclosure (TCFD)
- Increasing share of recycled and renewable input materials
- Making targeted efforts to enhance the renewable energy mix

74,945 GJ

Renewable energy and biomass mix
(107% YoY increase)

ENERGY MANAGEMENT

- Utilising a renewable energy mix comprising solar, wind, biogas and biomass
- Augmentation of captive power plant for waste heat recovery from increased off gases from carbon black expansion
- Increased energy-efficient measures and recovery systems across operations

2,088 GJ

Annual energy savings from
conservation initiatives





EMISSION MANAGEMENT

- Transitioning from fossil fuel-based boilers to biofuel at Bhiwadi
- Shifting toward electric vehicles in key operations
- CEMS systems implemented at our major production site
- Optimising energy utilisation through energy recovery systems

~10,500 tonne CO₂e

Emissions avoided through renewable and efficiency initiatives

45%

Diesel forklifts transitioned/replaced with Battery operated ones



WASTE MANAGEMENT AND CIRCULAR ECONOMY

- Ensuring structured waste management systems for segregation, storage and disposal
- Advancing circularity through the use of reclaimed rubber, crumb powder and rubber compounds
- Increasing the reuse of jumbo bags and transition to mobile silos for internal carbon black handling
- Undertaking scrap reduction initiatives across manufacturing processes

174 tonne per year HDPE

Waste avoided through reuse initiatives at Chopanki

94%

of waste diverted from landfill

21.4%

Plastic waste reduction YoY



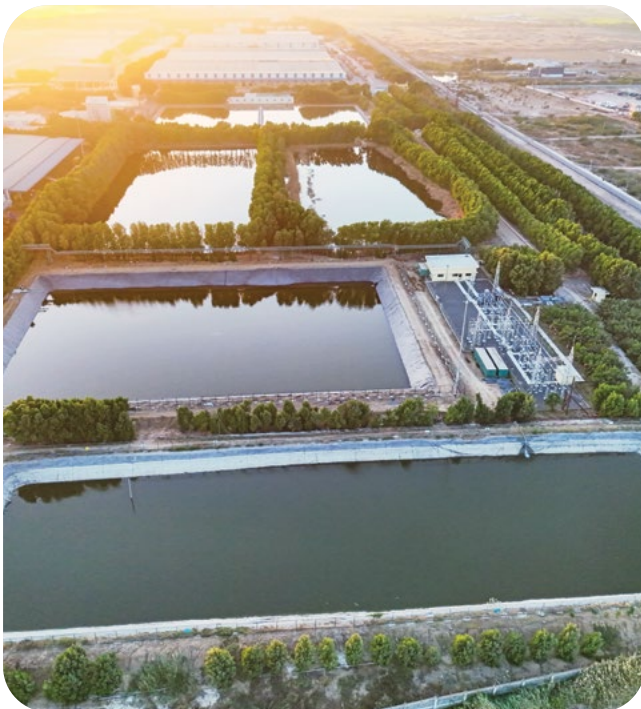
ENVIRONMENT

WATER STEWARDSHIP

- Sustaining Zero Liquid Discharge (ZLD) through ETP, RO, and MEE systems
- Recycling treated effluent back into manufacturing input and for horticulture across all plants
- Installing condensate recovery systems to improve water and energy efficiency
- Implementing rainwater harvesting and reuse measures across sites

25,010 KL
of rainwater utilised

10,51,922 KL
of effluent water recycled back into process



BIODIVERSITY PROTECTION

- Ensured zero operations within or adjacent to ecologically sensitive areas
- Developing Miyawaki forest areas near manufacturing sites
- Maintaining partnerships with NGOs and community groups for habitat restoration beyond plant boundaries

1,30,000+
Trees planted in and around production units





Water stewardship and resource efficiency

Our Waluj plant was recognised with the CII National Water Award 2025, one of India's leading recognitions for excellence in water stewardship and sustainable industrial practices. The award reflects the plant's sustained focus on responsible resource management, operational discipline and continuous improvement.

Through process optimisation, Kaizen initiatives and rigorous operational controls, the plant achieved a significant reduction in water consumption while simultaneously improving manufacturing performance across quality, resource efficiency and safety.

25%

Reduction in water consumption over two years

SOCIAL – PEOPLE

Performance-driven culture

As we expand our global footprint, we continue to enhance our people strategy to support our business aspirations. Our focus remains on cultivating a high-performance, inclusive, and future-ready organisation. This year, we invested judiciously in learning, leadership development, inclusion and employee well-being, while mapping these initiatives to measurable outcomes.

LABOUR MANAGEMENT AND HUMAN RIGHTS

- Implemented a Contract Labour Management System
- Maintaining grievance redressal portal for employees, workers and contract labour
- Zero case of human rights violations

TRAINING, EDUCATION AND WELL-BEING

- Delivered ~3.4 Lakhs training man-hours across technical, behavioural and leadership domains
- Established Safety Park at ASR Building and deployed in-house digital safety learning content on shop floor screens and canteen displays
- Conducted 100% health check-ups for employees who work in hazardous processes

3,000+

Employees covered under capability development programmes

3,376

Training sessions conducted across internal and external stakeholder groups

5,000+

Respondents, including employees, contract workforce, trainees and apprentices in well-being survey





TALENT ATTRACTION AND RETENTION

- Introduced enhanced employee benefits: NPS, Term Life Insurance, Medical Insurance Top-up
- Implemented the Car Lease Scheme and improved leave policies for employees
- Reinforcing employee engagement through sports, festivals and other initiatives
- Extended retirement age from 60 to 62 years to retain experienced talent

SUCCESSION PLANNING AND LEADERSHIP DEVELOPMENT

- Enabled Coursera access for employees with 6,800+ global courses aligned to Vision 2030
- Launched the General Management Programme in collaboration with ISB, BCG and IIM
- Implemented Growth Mindset Coaching & Mentoring by Stanford LEAD alumnus
- Conducted structured GET knowledge-sharing sessions across key functions



DIVERSITY, EQUITY & INCLUSION (DEI)

- Strengthening skills-based and transparent recruitment across functions
- Conducting annual POSH and Code of Conduct refresher programmes
- Reinforcing grievance redressal and ethical workplace frameworks
- No discrimination cases reported

35%

Increase in permanent women employees YoY

OCCUPATIONAL HEALTH & SAFETY (OHS)

- Institutionalised Lockout, Tagout, Tryout (LOTOTO) and Management of Change Systems (MOCS)
- Implemented a Behaviour-Based Safety (BBS) programme
- Launched a QR-based digital Near-Miss Reporting System for real-time hazard identification
- No fatalities in last four years

5-star rating and Sword of Honour by British Safety Council at Bhuj

ISO 45001:2018

Certification achieved across all plants

SOCIAL – CUSTOMERS

Delivering customer value

We understand that product reliability and post-sale services are crucial to sustaining market share. This is why, even as we expand across geographies and segments, we are consistently working towards deepening engagement, elevating customer experience and delivering meaningful value. Through new product launches, enhanced service capabilities and digital-led customer solutions, we are reinforcing our position as a trusted, value-driven mobility partner.





CUSTOMER ENGAGEMENT

- Implemented best-in-class digital order to cash (O2C) platform and dealer loyalty programme along with complaint-response platform on one integrated platform - OneBKT for On-Highway business, thus strengthening dealer-distributor engagement
- Enhancing overall customer engagement and channel support to strengthen positioning in the replacement market
- Expanded OEM leadership capabilities in Europe with targeted senior appointments to deepen OE customer engagement
- 24x7 customer support ecosystem established

CUSTOMER EXPERIENCE

- Reducing overall turnaround time through optimisation of claims processing systems and workflows
- Driving digital readiness and compliance through EUDR-aligned traceability system, enabling automated data extraction and paperless processes
- Strengthening service responsiveness and transparency via structured complaint resolution platforms and improved tracking mechanisms
- Enhancing operational visibility across customer support functions

CUSTOMER AWARENESS

- Focused brand-building efforts during the year have strengthened customer awareness and engagement, as reflected in enhanced market visibility, growing dealer advocacy and increased participation across customer-facing initiatives

VALUE CREATED FOR CUSTOMERS

- Purpose-built products delivering comfort, mileage, safety and durability
- Strong quality assurance through certified manufacturing and robust validation systems
- Enhanced service experience via on-road support and loyalty programmes
- Lower lifecycle costs through durability and retreadability solutions



SOCIAL – COMMUNITIES

Care. Connect. Create impact.

Guided by our principles, our work with communities, through the BKT Foundation and long-standing partnerships with aligned institutions, reflects the belief that growth must create shared value. From improving access to healthcare and supporting quality education to addressing basic nutritional needs, our CSR initiatives are designed to create meaningful, lasting impact.



₹35.52 Crores

Invested in CSR initiatives during FY 2025-26 across key focus areas including education and skill development, healthcare, and rural development



EDUCATION

- Supporting a mega kitchen in Bhuj, Gujarat, under the PM POSHAN programme in partnership with Akshaya Patra Foundation
- Strengthening rural education ecosystem through:
 - Established library spaces and strengthened school infrastructure, including compound walls and prayer sheds
 - Provided digital and educational resources, such as smart boards, computers, CCTV, projectors, and classroom furniture
 - Supported early childhood development through Anganwadis, distributing toys, learning kits, and child-friendly materials
- Across various ITIs and Polytechnic Colleges in the Kutch region, BKT undertook the following initiatives:
 - Improved basic infrastructure and student facilities with installation of RO plants, water coolers, and air conditioning
 - Established advanced technical learning facilities, including a fully equipped CAD laboratory

25,000+
Children served daily across
191 schools

600+
Students supported through
education grants

350
Women supported through
vocational training

SOCIAL – COMMUNITIES

HEALTH

- Established the BKT Sports Injury & Rehabilitation Centre (SIRC) at KEM Hospital, Mumbai (15,000 sq. ft.; ~₹20 Crores investment)
- Equipped facility with ICU, 20-bed ward, advanced OT infrastructure, Hyperbaric Oxygen Therapy and zero-gravity treadmills
- Supported the Tata Memorial Hospital for cancer care and was recognised on the 'Wall of Giving'
- Donated critical medical equipment, including robotic surgery systems, CT scanners, ultrasound and anaesthesia machines
- Conducted an employee-led blood donation drive and several healthcare outreach initiatives across the enterprise/plants
- Across rural communities in the Kutch region, BKT implemented the following healthcare initiatives:
 - Upgraded healthcare infrastructure by equipping six Primary Health Centres with advanced diagnostic tools and essential medical facilities
 - Introduced a dedicated patient transport service, enabling free travel from remote villages to hospitals for timely diagnosis and treatment
 - Providing continuous and reliable healthcare services through mobile medical service, enabling on-site diagnosis, treatment, and medicines in underserved villages
 - Organised annual medical camps during Navratri, offering primary healthcare support and emergency assistance to pilgrims and devotees



1,500+

Athletes and patients supported at KEM SIRC

15

Underprivileged children received life-saving cardiac surgeries through BKT's support of the Have A Heart Foundation, Mumbai

270

Employees contributed to the blood donation drive (94.5 litres collected)



RURAL DEVELOPMENT (IN THE KUTCH REGION)

- Supporting public healthcare systems through long-term MoU-based infrastructure support and advanced medical technologies (VR rehab, gait labs)
- Bore Well Recharge Project - collaborated with village Sarpanches and farmers to recharge 127 borewells across 13 villages that had dried up due to multiple factors
- Pond Deepening Project: supported pond rejuvenation for 14 ponds across 10 villages.
- Safe Drinking Water programme: installed 24 RO water purification plants and 23 water coolers in schools and Anganwadis
- Supporting infrastructure development, including a community hall for Ahir Samaj in Bhuj



Spotlight

Sports Injury & Rehabilitation Centre, KEM Hospital, Mumbai

Through the BKT Foundation, we partnered with KEM Hospital, Mumbai, to establish a state-of-the-art Sports Injury and Rehabilitation Centre, expanding access to advanced sports medicine and rehabilitation within the public healthcare system. Equipped with specialised surgical, diagnostic and rehabilitation capabilities, the centre brings high-quality treatment and recovery services together under one roof. Advanced technologies, including virtual reality-based rehabilitation and gait analysis systems, enhance patient care, while institutional partnerships support the centre's long-term infrastructure and maintenance requirements.

Community infrastructure development, Bhuj

We inaugurated Ahir Bhavan, a community centre in Paddhar, Bhuj, to serve as a social and cultural hub for residents. The facility provides an accessible venue for community gatherings, celebrations and cultural activities, preserving local traditions. The initiative is part of our broader commitment to strengthening community infrastructure and improving the quality of life in regions surrounding our operations.

Making cancer care accessible

The BKT Foundation was recognised on the Wall of Giving at Tata Memorial Hospital, Mumbai, for its long-standing contribution to strengthening cancer care infrastructure and patient services. Through investments in advanced medical equipment, we have supported the hospital's diagnostic and treatment capabilities, while also contributing to specialised patient care and palliative care initiatives. These efforts, undertaken through long-term institutional partnerships, have helped expand access to high-quality, evidence-based and affordable cancer care.

GOVERNANCE

Leading with accountability

Transparency, integrity and accountability continue to guide our decision-making. We are working towards strengthening our governance framework to safeguard stakeholder interests while enabling long-term value creation. The Board further advancing our ESG priorities through ethical sourcing, digital security and responsible procurement.



ECONOMIC PERFORMANCE

- Continuing the disciplined execution of our Vision 2030 growth strategy
- Clear roadmap toward ₹23,000 Crores revenue by FY 2029-30

CORPORATE GOVERNANCE

- Ensuring Board-led engagement on ESG integration, risk management supporting discipline, long-term value creation
- Consistently aligning with global governance standards, reinforcing transparency
- Maintaining enterprise-wide, structured risk management practices, improving business resilience and decision-making consistency
- Affiliated with 13 leading trade and industry chambers across India and globally, thus staying aligned with regulatory requirements



INNOVATION AND DIGITISATION

- Integrating ESG principles into the innovation pipeline, including materials research and product design
- Strengthening digital governance systems, including IT security, data governance and digital infrastructure
- Improving operational efficiency through digitisation
- No reported data breaches involving consumer personal data

BUSINESS ETHICS & COMPLIANCE

- Maintaining a zero-tolerance approach to bribery, corruption and conflicts of interest
- Embedding ethical decision-making across procurement, operations, and supply chain ecosystems
- Ensuring zero political influence
- Strengthening transparency in financial and non-financial reporting

ETHICAL PROCUREMENT

- Reinforcing the Sustainable Procurement Policy covering human rights, labour standards and environmental compliance
- Streamlining vendor onboarding and ESG-aligned supplier evaluation processes
- Increasing alignment with ethical sourcing standards

SUSTAINABLE SUPPLY CHAIN

- Training and awareness programmes have been conducted for value chain partners on ESG practices and BRSR value chain disclosure
- Assessed more than 50% value chain partners (by value of business) through questionnaires, self-declarations and physical audits
- Strengthening local sourcing and responsible material procurement practices resulting in 55% YoY increase
- Enhancing supply chain transparency and traceability

CYBER SECURITY AND DATA PRIVACY

Augmenting data protection and cyber security preparedness and response capabilities to address emerging threats by actions such as:

- Implemented Secure Web Gateway for controlled and secure internet access across devices
- Deployed endpoint and web Data Loss Prevention (DLP) systems to prevent data leakage
- Introduced Intune-based mobile device management for secure enterprise communication
- Conducting phishing simulations, awareness campaigns and security training programmes
- Reducing cyber exposure through a layered security architecture
- Regular vulnerability assessments and penetration testing across systems
- Round-the-clock Security Operations Centre for continuous monitoring

GOVERNANCE

Board of Directors



ARVIND PODDAR

Chairman and Managing Director Member of the Business Responsibility and Sustainability

He is instrumental in transforming the Company from a 'Made in India' enterprise into a globally recognised player, laying the strong foundation upon which it stands today with his leadership and extensive experience in Tyre Industry. The Company has witnessed significant and sustained growth under his vision of 'Acting Local' 'Playing Global'.

In recognition of his contributions, he was inducted into the Tyre Industry Hall of Fame in 2018 by the Tyre Industry Association (TIA), the highest honour accorded to individuals in the global tyre industry.

He was further conferred the K. M. Philip Award in 2019 for his exceptional leadership in shaping Balkrishna Industries Limited into one of the leading players in the Off-Highway Tyre segment worldwide.

His dynamic leadership and strategic foresight have consistently guided the Company's growth and strengthened its position in the industry.

RAJIV PODDAR

Joint Managing Director Member of the Business Responsibility and Sustainability Committee

He leads BKT's expansion into new tyre categories and transformation strategy under Vision 2030. His vision has positioned BKT as a brand of choice globally, supported by the Company's distinctive sports-led brand-building approach.

He holds a degree in Business Management from Kingston University, UK. Under his co-leadership, the Company has delivered strong and consistent performance, driven by a well-defined strategy focused on scaling new growth avenues, expanding distribution reach, building a future-ready workplace and creating shared values.

These strategic pillars have enabled the Company to strengthen its competitive position in an increasingly volatile and uncertain operating environment.





VIPUL SHAH

Director and Company Secretary

He has been on the Board since February 11, 2012. He holds a Bachelor of Commerce degree, is an Associate Company Secretary (ACS), and has a Diploma in Business Management. He brings over three decades of experience across company secretarial compliances, finance, accounts and insurance.



VIJAYLAXMI PODDAR

Non-Executive - Non-Independent Director

She joined the Board w.e.f August 8, 2015. She has varied experience of more than three decades in Textile and Tyre industry. She is also the Chairperson of Corporate Social Responsibility Committee of the Company.

PANKAJ GHADIALI

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

He joined the Board w.e.f November 8, 2017. He is a Chartered Accountant and has more than 40 years of experience in the field of accountancy and auditing.



GOVERNANCE

**SHRUTI SHAH****Non-Executive -
Independent Director**

She joined the Board w.e.f. February 8, 2019. She is a Chartered Accountant and a law graduate. She possesses expertise in the field of Income Tax/ advisory for corporates, estate planning, etc.

LAXMIDAS MERCHANT**Non-Executive -
Independent Director**

He joined the Board w.e.f. March 28, 2024. He is a Chartered Accountant and an academically astute financial leader with over three decades of experience in the field of Corporate Accounts, SAP accounting, Finance, Treasury, Taxation and MIS functions.





RAHUL DUTT

Non-Executive - Independent Director

He joined the Board w.e.f. March 28, 2024. He is a legal professional with Bachelor's degree in law from Government Law College and having a Master's degree with distinction in Law from UK (University of Leicester). He is a partner in the law firm Khaitan & Co. and has over 20 years of experience with focus on mergers and acquisitions, joint ventures, infrastructure, etc.



T.G. NATARAJAN

Non-Executive - Independent Director

He joined the Board w.e.f. February 1, 2026. He is a B.Com graduate and Chartered Accountant and his core areas of practice have included project finance, merchant banking, capital markets, mergers and acquisitions, dispute resolution, FEMA advisory, and GIFT City consulting, in addition to auditing and taxation.

ASHOK SARAF

Non-Executive & Non-Independent Director

He joined the Board w.e.f. February 1, 2026. He is the Managing Director of Sarex Group of Companies. He holds a B.Com and a Diploma in Finance Management and Business Management. He is the President and Trustee/advisor/Treasurer of various trusts/hospitals, etc.



AWARDS AND RECOGNITION

Accolades of distinction

Global and industry recognition

Received 'Excellence Level' recognition from Caterpillar's Supplier Excellence Recognition (SER) programme for the fourth consecutive year, for performance in quality, delivery and customer support



S&P Global ESG Score: 58

EcoVadis Score: 70 — Bronze

CDP Ratings: Climate Change (B),
Water Security (B—)

CRISIL Credit Rating of AA+/Stable





Safety and workplace excellence



Achieved a five-star rating in the British Safety Council for Occupational Health and Safety system awarded with the 'Sword of Honour 2025'

Certificate of Merit from the National Safety Council of India (Safety Awards 2025)

'Legend Emerging Award – Safety' at Exceed Occupational Health, Safety & Security Awards 2025

GEEF Global Safety Award – for Safety & Environment



AWARDS AND RECOGNITION

Quality and manufacturing excellence



FAME National Awards: Manufacturing Excellence and Quality Excellence

Won the FAME Innovative Quality Leadership Award 2025 for best quality performance in manufacturing processes

Multiple recognitions at the Chapter Convention on Quality Concepts (CCQC) and National Convention on Quality Concepts (NCQC) for Kaizen and Poka-Yoke teams

Qualified for the International Convention on Quality Control Circles (ICQCC)

Received the Gold Award at the Quality Circle Forum of India (QCFI), Jaipur, for a quality improvement initiative that reduced bead wire scrap caused by wire-missing defects, improving process efficiency and material utilisation



Sustainability and resource management

Received the Rajasthan Energy Conservation Award, recognising the plant's commitment to energy efficiency and the adoption of energy-efficient technologies

CII National Award for Excellence in Water Management 2025

ASSOCHAM Water Award 2025 for water management and sustainability



Champion Title in Water Management – 19th Exceed Environment Award

CII Award for Water Efficiency ('Within the Fence' category)

Certifications

Received ISO 14001:2015 and ISO 45001:2018 certificates from ISOQAR for Waluj unit



Note: Awards and recognitions presented in this section reflect achievements received across BKT's operations and includes recognitions awarded to specific manufacturing facilities.

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
Natarajan Gnanaskandan Tanjore - Independent Director
(w.e.f. 1st February 2026)
Ashok Saraf - Non-Executive,
(w.e.f. 1st February 2026) Non-Independent Director
Vijaylaxmi Poddar - Non-Executive
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
Yes Bank Limited

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) - 421 204
District - Thane (Maharashtra)

REGISTRAR AND SHARE TRANSFER AGENT:

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



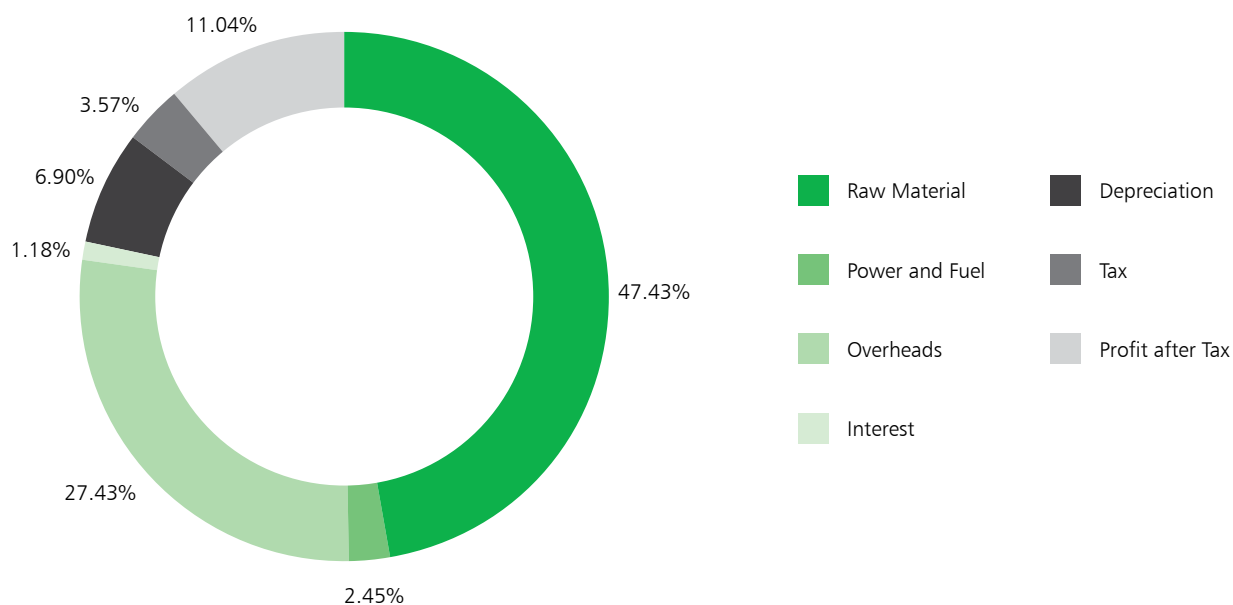
Financial Highlights (Standalone)

(₹ in Crores)

Particulars	Ind AS				
Year ended 31 st March	2026	2025	2024	2023	2022
Revenue From Operations	10,819.95	10,412.88	9,298.70	9,810.52	8,266.71
Other Income	248.26	534.55	447.74	337.79	430.60
Total Income	11,068.21	10,947.43	9,746.44	10,148.31	8,697.31
PBIDT	2,511.49	2,955.03	2,651.78	2,053.42	2,406.10
PBDT	2,380.77	2,829.82	2,542.85	2,007.79	2,398.24
Depreciation	763.95	673.53	643.78	556.63	443.77
PBT	1,616.82	2,156.29	1,899.07	1,451.16	1,954.47
Taxes	394.97	527.92	461.48	372.45	543.78
PAT	1,221.85	1,628.37	1,437.59	1,078.71	1,410.69
Dividend	*800%	800%	800%	800%	1400%
Earning per Share of ₹ 2 each	63.20	84.23	74.36	55.80	72.97

*The Board has declared and paid 1st Interim Dividend of ₹ 4.00 per equity share, 2nd Interim Dividend of ₹ 4.00 per equity share and 3rd Interim Dividend of ₹ 4.00 per equity share, aggregating to ₹ 12.00 per equity shares and recommended Final Dividend of ₹ 4.00 per equity share for the financial year 2025-26, subject to approval of Shareholders in the ensuing Annual General Meeting.

Rupee Earned/Spent %



Directors' Report & Management Discussion and Analysis

Your directors are pleased to present the 64th Annual Report of Balkrishna Industries Limited (the "Company") along with the audited Financial Statements for the financial year ended 31st March, 2026. The consolidated performance of the Company and its subsidiaries for the year ended 31st March, 2026 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 st March, 2026	31 st March, 2025	31 st March, 2026	31 st March, 2025
Revenue from Operations	10,819.95	10,412.88	10,823.08	10,446.95
Other Income	248.26	534.55	251.83	538.79
Total Income	11,068.21	10,947.43	11,074.91	10,985.74
PBDT	2,380.77	2,829.82	2,418.64	2,868.05
Less: Depreciation	763.95	673.53	774.96	680.66
PBT	1,616.82	2,156.29	1,643.68	2,187.39
Less: Provision for tax				
Current Tax	373.06	472.83	378.56	477.62
Income Tax of earlier years	9.45	-	9.45	-
Deferred Tax	12.46	55.09	12.57	54.81
PAT	1,221.85	1,628.37	1,243.10	1,654.96

2. OPERATIONS AND STATE OF AFFAIRS

Standalone: During the year under consideration on Standalone basis, your Company achieved Revenue from Operations of ₹ 10,819.95 Crores as against ₹ 10,412.88 Crores during the previous financial year. EBITDA decreased to ₹ 2,511.49 Crores from ₹ 2,955.03 Crores during previous financial year and Net profit has decreased to ₹ 1,221.85 Crores from ₹ 1,628.37 Crores during previous financial year. The revenue from exports is over 65%.

Consolidated: During the year under consideration on Consolidated basis, your Company achieved Revenue from operations ₹ 10,823.08 Crores as against ₹ 10,446.95 Crores during the previous financial year. EBITDA has decreased to ₹ 2,552.26 Crores from ₹ 2,996.39 Crores during previous financial year and Net profit has decreased to ₹ 1,243.10 Crores from ₹ 1,654.96 Crores during previous financial year.

3. 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.

4. 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 the FY 2025-26. This is in addition to three interim dividends of ₹ 4 (200%) per equity share each, aggregating to ₹ 12 (600%) per equity share. Accordingly, the total dividend for the year amounts to ₹ 16 (800%) per equity share.

The final dividend is subject to the approval of the Shareholders at the forthcoming Annual General Meeting scheduled to be held on 29th July 2026. Upon approval, the dividend will be disbursed within the stipulated timeframe, after deduction of applicable taxes at source. The Record Date for determining the eligibility of shareholders for payment of the final dividend has been fixed as 17th July 2026.

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

5. SHARE CAPITAL

The paid-up Share Capital of the Company as on 31st March, 2026 remains unchanged at ₹ 38.66 Crores. The Company has neither issued shares with differential voting rights, nor granted stock options,



nor sweat equity and none of the Directors of the Company hold any shares with differential voting rights or convertible instruments.

6. RESERVES

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

7. MATERIAL CHANGES AND COMMITMENTS

In terms of Section 134(3)(l) of the Companies Act, 2013, there are no material changes and commitments affecting the financial position of your Company which have occurred between the close of the financial year of the Company on 31st March, 2026 to which the Financial Statements relate and up to the date of this report.

8. SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS AND 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.

9. OUTLOOK

We maintain a positive-yet-cautious outlook as the global economy stays largely stable. We are fully prepared to face emerging market headwinds, including shifting trade regulations and raw material price volatility. Global demand for our tyres remains resilient, anchored by macro drivers such as farm mechanisation for food security, public infrastructure expansion, and mining for the global energy transition. To capture this momentum, we are deepening our ties with global OEMs, aligning our engineering with the high-performance durability standards required to secure long-term contracts.

As our industrial customers increasingly evaluate purchases based on the total cost of ownership (TCO), we will continue to invest in application-specific designs and lifecycle efficiency to differentiate our brand. To insulate our margins from natural rubber supply shocks, we will leverage our deep vertical integration, headlined by our in-house carbon black production, to maintain manufacturing continuity and cost-competitiveness. This supply chain autonomy is a core pillar of our long-term growth guidance, which includes our planned 40% capacity expansion for BKT Carbon over the next five years to capture Asia's premium rubber and specialty carbon markets.

10. ECONOMIC OVERVIEW

Global economy: Fragile growth amid geopolitical volatility

The global economy showed signs of stability in 2025 even in the face of volatile geopolitical conditions, escalating trade disputes, and rapid technological changes, with a projected expansion of 3.4%.

The headwinds, however, have led to a surge in commodity prices, set the cost of energy soaring and disrupted supply chains, pushing the IMF to lower its GDP growth estimate to 3.1% for 2026. Inflation is also projected to scale 4.4% in 2026, taking a major toll on emerging markets. The situation may worsen if the West Asia conflict continues for longer and tariff disputes are not resolved. There could be wider fiscal deficits and deeper dents in the market.

Sector wise, agriculture continues to be scorched by simmering input costs, climate variations and uneven profitability. Mining, however, remains structurally strong, supported by rising global investments in critical minerals and energy transition supply chains. Industrial and manufacturing see gradual recovery amid supply-chain realignment and technology-led capital investments, while infrastructure and construction continue to benefit from sustained public capex, transport modernisation and urban development programmes across key economies.

Digital transformation and technological advancement continue to create long-term opportunities for productivity enhancement, operational efficiency and investment growth across industries. The pace of technology adoption, though is creating near-term adjustment challenges for businesses, stoking implementation costs, calling for skill upgrades and organisational transformation, while labour markets face increasing pressure from workforce displacement and rapid reskilling needs.

As protectionist trade practices, fiscal pressures, regulatory issues and commodity price rise create broader economic and operating uncertainties across global markets, there is an increasing need for adaptability, stronger cooperation, and large-scale structural reforms to ensure resilience.

The US economy showed remarkable resilience, with output projected to expand 2.3% in 2026, supported by technology investments, adoption of artificial intelligence (AI), and steady consumer spending. But higher tariffs, policy uncertainties, and sticky domestic inflation threaten to derail this growth, forcing the Federal Reserve to maintain a cautious monetary stance. A strong equity market and steady domestic consumption are likely to insulate the economy from global slowdown and structural instability.

Directors' Report & Management Discussion and Analysis

The Eurozone is passing through a complex, low-growth landscape with output slowing down to a projected 1.1% in 2026, characterised by a sharp divergence between weak industrial manufacturing giants and more resilient, service-driven economies. The region faces significant pressure from West Asian maritime disruptions and hike in defence spending, while real consumer consumption remains sluggish.

Most major economies show uneven growth because of trading trends, commodity price fluctuations, structural challenges, and geopolitical tensions. The Canadian economy is expected to grow 1.5%, supported by strong exports of critical minerals and energy and close trade links with the US. Trade policy uncertainty, high household debt, and a sensitive housing market continue to limit stronger growth.

Latin America and the Caribbean are projected to grow by 2.3%, aided by favourable export conditions for food and minerals and gradual interest rate cuts.

Emerging market and developing economies are expected to grow 3.9% in 2026 despite geopolitical tensions and commodity price shocks. While India remains resilient on strong domestic demand and policy stability, its peer economies continue to grapple with higher energy costs, weaker currencies, rising debt-servicing burdens, and employment pressures.

Indian economy: Resilience confronts external headwinds

The Indian economy remained the fastest-growing major economy with a real GDP growth of 7.7% in 2025-26. Revival in domestic demand, positive consumer sentiment, sustained public infrastructure investment, and policy continuity helped it weather the external headwinds through the year under review.

India's robust macroeconomic fundamentals, controlled inflation, policy modernisation and rising disposable incomes helped the domestic growth engines on track despite disruptive tariffs and external pressures. Lending and investment activities are expected to drive this growth in future with the RBI lowering the cumulative repo rate by 125 basis points.

Despite its strong economic framework, the country stares at some imminent risks. India's heavy reliance on imports, especially crude oil that makes up over 85% of consumption, has sharply increased the dollar

demand. The situation escalated since Iran blocked the Strait of Hormuz through which a fifth of global crude shipments move. Widening trade deficits and a steady flight of foreign investors from Indian securities sent the rupee down about 10% against the dollar in 2025-26.

While core investment and services continue to be buoyed by public spending and financial stability, persistent structural constraints remain, including skill gaps, infrastructure bottlenecks, and limited global value chain integration. Sustaining balanced, long-term growth will rely on rise in productivity, trade facilitation, and deeper structural reforms in infrastructure, skill development, and business regulation.

A growing market for mobility solutions

India's long-term growth trajectory remains closely linked to rising energy consumption and expanding mobility demand. Primary energy demand is projected to nearly double by 2050, with oil increasing its share in the energy mix. Road transport is expected to account for the largest share of incremental oil demand, reinforcing the dominance of road-based mobility.

This trend is expected to drive significant growth in the vehicle parc, with passenger vehicles projected to increase from 56 Million to 246 Million and commercial vehicles from 25 Million to 99 Million by 2050, supported by rising incomes, urbanisation, infrastructure development and expanding logistics networks.

Higher vehicle ownership, utilisation and freight movement are expected to drive tyre demand across segments. Industry demand is projected to expand nearly fourfold, with total tyre consumption rising from approximately 2.6 Million tonnes to 10.7 Million tonnes by 2050. As the vehicle base expands, the replacement market is expected to emerge as the primary growth driver, providing recurring demand and greater revenue visibility, particularly in commercial vehicle and logistics-linked segments.

These structural trends align well with BKT's growth strategy. Continued investments in infrastructure, mining and mechanisation are expected to support demand for off-highway tyres. The projected growth across passenger and commercial vehicle segments validates BKT's calibrated on-highway expansion. Rising tyre demand also strengthens the strategic value of the Company's carbon black integration by supporting cost efficiency, supply security and margin resilience.



India's tyre demand is projected to grow ~4x over the next 25 years, driven by road-led mobility, expanding vehicle parc, and rising replacement demand

World population by region (Millions)

Region	2025	2030	2035	2040	2045	2050	Growth
OECD Americas	543	558	571	582	592	599	56
OECD Europe	590	590	589	587	583	577	(13)
OECD Asia-Pacific	217	215	212	209	205	202	(15)
OECD Total	1,350	1,363	1,372	1,378	1,380	1,377	28
China	1,416	1,398	1,373	1,343	1,306	1,260	(156)
India	1,464	1,525	1,579	1,623	1,656	1,680	216
Other Asia	1,304	1,367	1,428	1,484	1,533	1,575	270
Latin America	513	527	540	549	555	558	45
Middle East	291	315	337	359	379	398	107
Africa	1,550	1,727	1,910	2,096	2,282	2,467	917
Russia	144	142	140	138	137	136	(8)
Other Eurasia	152	157	161	165	169	173	21
Other Europe	48	47	45	44	42	41	(7)
Non-OECD Total	6,882	7,206	7,513	7,799	8,060	8,287	1,405
World Total	8,232	8,569	8,885	9,177	9,440	9,664	1,433

Source: UN.

India primary energy demand by fuel type, 2025-2050

	2025	2030	2035	2040	2045	2050	Growth mboe/d 2025-2050	Growth % p.a. 2025-2050	Fuel share % 2025	Fuel share % 2050
Oil	5.3	6.8	8.3	10.1	12	13.8	8.5	3.9	23.3	30.3
Gas	1.3	1.8	2.3	3.1	4	5.2	3.8	5.6	5.8	11.3
Coal	10.7	12	12.9	13.3	13.7	14.1	3.3	1.1	46.8	30.8
Nuclear	0.3	0.4	0.6	0.9	1.2	1.5	1.2	6.7	1.3	3.2
Renewables	5.2	6.2	7.2	8.5	9.7	11.1	5.8	3	22.8	24.3
Biomass	4.4	4.6	4.7	4.8	4.7	4.6	0.2	0.2	19.3	10.1
Solar	0.3	0.7	1.3	2	3	4.2	3.9	11	1.4	9.3
Wind	0.2	0.5	0.8	1.2	1.4	1.5	1.3	8.3	0.9	3.2
Hydro	0.3	0.4	0.4	0.5	0.6	0.7	0.4	3.6	1.3	1.6
Others	0	0	0	0	0	0	0	0	0	0
Total	22.9	27.1	31.4	35.8	40.6	45.6	22.7	2.8	100	100

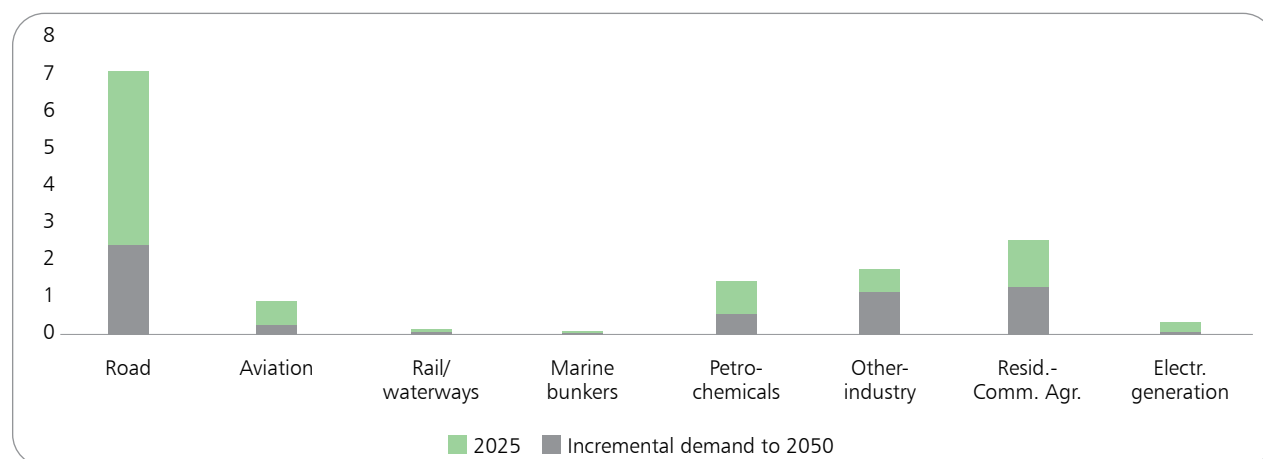
Directors' Report & Management Discussion and Analysis

Long-term oil demand by region (mb/d)

Region	2025	2030	2035	2040	2045	2050	Growth
OECD Americas	25.4	25.9	25.8	24.9	23.6	22.4	(3)
OECD Europe	13.4	13.7	13.3	12.3	11.2	10.2	(3.3)
OECD Asia-Pacific	7.1	7.1	6.8	6.4	5.9	5.5	(1.6)
OECD Total	45.9	46.7	45.9	43.6	40.8	38	(7.9)
China	16.9	18.1	18.9	18.8	18.4	18	1.1
India	5.6	7.1	8.8	10.4	12.1	13.8	8.1
Other Asia	9.8	11.3	12.5	13.4	14.3	15.1	5.3
Latin America	6.9	7.8	8.6	9.2	9.5	9.7	2.8
Middle East	8.9	9.9	11	12	12.9	13.6	4.7
Africa	4.9	5.7	6.5	7.4	8.3	9.2	4.3
Russia	4	4.3	4.4	4.3	4.3	4.2	0.2
Other Eurasia	1.3	1.5	1.6	1.6	1.7	1.7	0.4
Other Europe	0.8	0.9	1	1	0.9	0.9	0.1
Non-OECD Total	59.2	66.6	73.1	78.1	82.3	86.1	26.9
World Total	105.1	113.3	119	121.7	123.1	124.1	19

Source: OPEC.

Oil demand by sector in India, 2025, and incremental demand to 2050 (mb/d)



Source: OPEC.

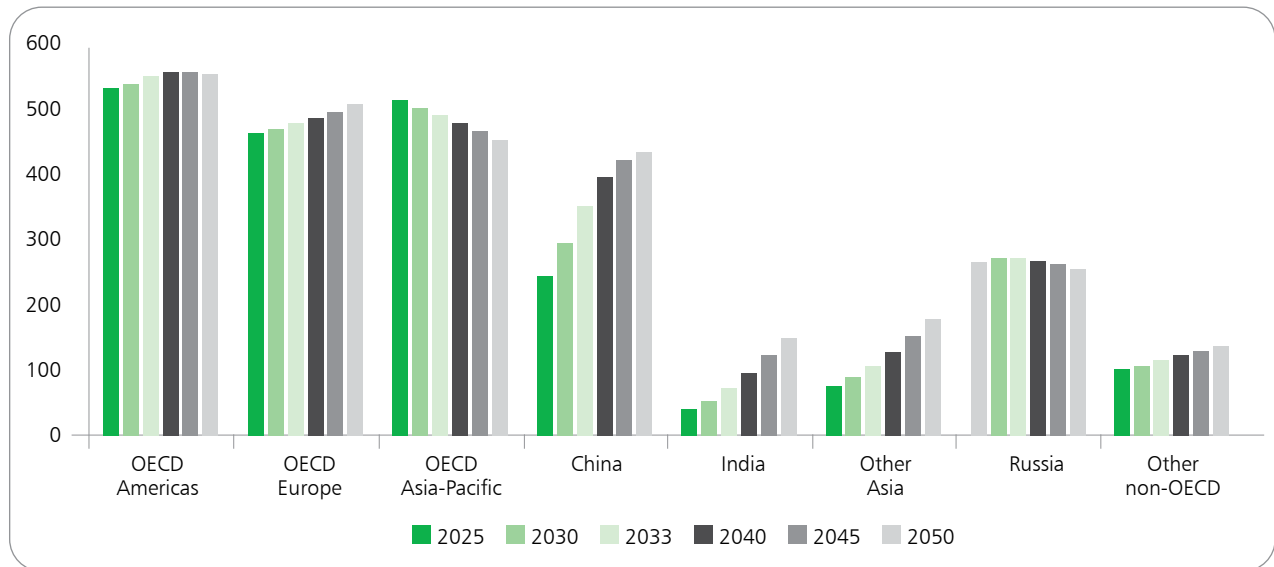
Number of passenger cars by region, 2025-2050 (Millions)

Region	2025	2030	2035	2040	2045	2050	Growth
OECD Americas	289	300	313	323	328	330	41
OECD Europe	273	277	281	284	288	292	19
OECD Asia-Pacific	111	107	104	99	95	91	(20)
OECD Total	673	684	698	707	712	714	41
China	342	413	481	529	550	544	203
India	56	80	113	154	200	246	190
Other Asia	97	120	151	187	228	275	178
Russia	38	38	38	37	36	35	(4)
Other non-OECD	260	297	340	388	440	494	233
Non-OECD Total	793	948	1123	1294	1454	1594	801
World Total	1466	1632	1821	2002	2166	2307	841

Source: OPEC.



Passenger vehicle ownership by region, passenger vehicles per 1,000 people



Source: OPEC.

Number of commercial vehicles by region, 2025-2050 (Millions)

Region	2025	2030	2035	2040	2045	2050	Growth
OECD Americas	43	47	53	60	68	77	33
OECD Europe	46	52	58	65	72	79	33
OECD Asia-Pacific	26	27	28	29	30	32	6
OECD Total	115	126	139	154	170	187	72
China	35	44	54	65	75	85	50
India	25	34	46	61	79	99	74
Other Asia	33	42	52	62	73	83	50
Russia	6	6	6	6	6	7	1
Other non-OECD	68	82	100	123	151	183	115
Non-OECD Total	167	207	258	318	385	457	291
World Total	282	333	397	472	555	645	363

Number of electric vehicles by region, 2025-2050 (Millions)

Region	2025	2030	2035	2040	2045	2050	Growth
OECD Americas	9	26	50	75	97	109	100
OECD Europe	20	49	76	93	107	115	95
OECD Asia-Pacific	1	5	12	20	26	29	27
OECD Total	31	80	138	188	230	252	222
China	37	87	137	180	215	241	204
India	1	3	7	14	20	28	27
Other Asia	1	5	16	29	42	53	52
Russia	0	0	2	3	4	6	6
Other non-OECD	1	3	10	21	35	55	54
Non-OECD Total	39	98	172	247	317	382	343
World Total	70	179	309	435	547	634	565

Directors' Report & Management Discussion and Analysis

Tyre industry's strategic resilience

The tyre industry is shifting from the legacy of 'just-in-time' logistics to a highly adaptive, risk-balanced model. To insulate operations from price volatility and regional concentration risks, manufacturers are expanding raw material inventory to 60–90-days and diversifying sourcing beyond Southeast Asia into emerging African markets.

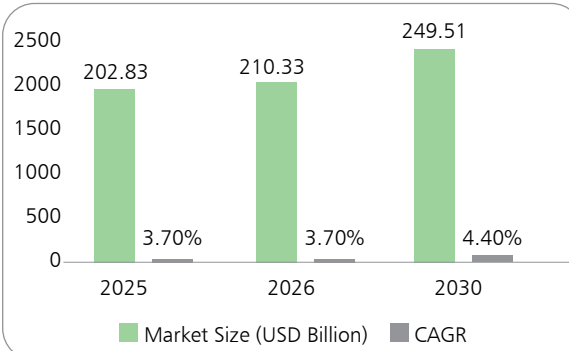
Companies are scaling sustainable, low-rolling-resistance designs to 20% of new formulations to comply with circular economy regulations. This also helps meet the demand from the EV market. Higher demand from agriculture, mining, industrial, construction and ports is being supported by farm mechanisation and precision agriculture, rising investments in critical mineral extraction and mining automation, adoption of smart manufacturing and warehouse automation is driving demand for off-highway tyres.

The industry is penetrating underserved Tier-II and Tier-III markets through deep local partnerships. This geographical push is reinforced by Industry 4.0 digital capabilities, including IoT tracking, blockchain traceability, and digital twins, which have reduced supply chain disruptions by over 30%. Through this blend of supply diversification, green engineering, and targeted regional expansion, the tyre industry continues to sustain long-term productivity despite an uncertain macroeconomic climate.

shocks in Southeast Asia spiked natural rubber prices, while West Asian maritime disruptions inflated crude derivatives like synthetic rubber and carbon black. To insulate their margins, manufacturers abandoned rigid annual pricing. They successfully executed calibrated, consecutive price hikes, averaging 6% to 8% in domestic replacement markets and 2% to 4% internationally, while optimising product recipes through internal value engineering.

Protectionist tariffs and anti-dumping duties across North America and Europe forced global trade routes to shift to agile hubs with vertical raw material integration. Consequently, manufacturers realigned capex, concentrating up to 85% of expansion outlays within secure domestic footprints. Major corporations reallocated capital towards structural efficiency and premiumisation, specifically large-rim radial tyres for the booming SUV market. Backed by digital Industry 4.0 capabilities and expanded dealer networks in underserved regional markets, the sector secured steady replacement volumes to cushion against broader economic shocks.

Tyre industry market outlook and CAGR trends



11. INDUSTRY OVERVIEW

Global tyre industry

The global tyre market is projected to grow 3.7% from USD 202.83 Billion in 2025 to USD 210.33 Billion in 2026, with long-term valuations expected to reach USD 249.51 Billion by 2030 at a CAGR of 4.4%.

The industry is likely to pull off this growth despite uneven demand and supply chain volatility. The industry sees a growing replacement demand, structurally propelled by an expanding global vehicle parc, aging vehicles, and rapid EV adoption, where high vehicle weight and torque inherently accelerate the tyre replacement intervals. Cyclical stabilisation in off-highway and premium agricultural tyres provides strong foundational volumes for diversified players.

A distinct divergence between a muted Original Equipment Manufacturer (OEM) segment and a highly resilient aftermarket replacement channel is, however, a cause for concern. The industry faces severe cost-push inflation, with raw materials commanding 60-70% of total manufacturing costs. Climate-driven supply

Indian tyre industry

Despite raw material barriers and macroeconomic shifts, the India tyre market shows strong structural resilience, growing from USD 14.45 Billion in 2025 at a 7.49% CAGR. Driven by a 60% expansion of the national highway network, the replacement segment commands 58% of total demand, serving as the market's primary engine over a subdued OEM channel.

This momentum is anchored by post-monsoon rural recoveries, infrastructure outlays, and the pass-through benefits of the RBI's repo rate cuts to 5.25%. This boosted commercial fleet utilisation. During the year, demand was supported by government measures to stimulate consumption, including GST reforms and the recent free trade agreements (FTAs) with several countries.

A sharp premiumisation wave drives the product mix, with passenger cars leading at 32% share and medium-



sized tyres dominating at 50%. Off-Highway Tyres (OHT), agricultural, and construction lines provide a high-margin cyclical buffer. Consumer demand has pushed radial technology to corner over 60% market share and tubeless fitments to over 70%.

In India's tyre landscape, domestic production commands a 70% majority, protected by production-linked incentives, BIS certifications, and trade barriers for select imports. The industry is innovating the value proposition with offerings such as 'Tyre-as-a-Service', integrating smart TPMS sensors, and developing EV-specific low-rolling-resistance tyres (projected at a rapid 12.5% CAGR) engineered for heavier battery packs with high torques.

The Off-highway tyre market

The global off-highway tyre market has reached a phase of cyclical stabilisation, navigating a multi-speed demand environment. According to Smithers, the total market volume is expected to increase in sync from 52.5 Million units in 2026 to 57 Million units by 2029. Lower farm net incomes and high dealer inventories across Europe and North America have created minor agricultural headwinds.

These are being effectively counterbalanced by robust global mining and public infrastructure outlays, sustaining strong, structural demand for large-rim ultra-large radial and earthmover tyres. Tyre retreading is also emerging as a focus, driven by increasing emphasis on lifecycle extension, cost-efficiency and sustainable fleet management across commercial and off-highway mobility segments.

The market's growth trajectory is expected to remain differentiated across end-use segments through 2030. The mining, construction and ports segment is expected to remain the largest and fastest-growing category, supported by sustained infrastructure investments and increased mining activity linked to energy transition. The agriculture segment is expected to continue growing on ongoing mechanisation, the adoption of precision farming practices and rising global food demand, although it may lose its market share marginally. The industrial segment, meanwhile, is expected to benefit from the steady expansion of manufacturing, warehousing and material-handling activities.

These trends are expected to support the continued expansion of global OHT market's expansion and reinforce a stable long-term growth outlook for the industry.

Domestically, a USD 1.22 Billion off-highway tyre market is zooming at 5.52% to reach USD 1.69 Billion by 2031. Led by an unprecedented public capital expenditure push into national highway networks, multi-modal

freight corridors, and major mining operations, the construction equipment segment commands over 40% of the market. This localised traction is reinforced by a shift to advanced radialisation and pneumatic compounds fit for rough terrains.

The On-highway tyre market

The global on-highway automotive tyre segment is rapidly shifting towards specialised safety configurations, with all-season variants commanding a 61.78% market share. The winter variant grows 4.12% under widening European safety mandates.

Run-flat and specialised segments are expanding 7.8% annually, backed by a demand from luxury OEMs. Driven by rigorous safety frameworks in the US and EU, the connected and smart tyre market is pacing towards USD35.2 Billion at 35.7% a year. This has converted TPMS-integrated sensors into a massive, connected platform, utilising real-time Tyre-to-Infrastructure (T2I) data to optimise fleet scheduling, vehicle-to-everything (V2X) cloud telemetry, and acoustic cabin comfort through sound-insulated foam inserts.

India's on-highway tyre industry is in the middle of rapid structural changes. Manufacturers are advocating for supportive Union Budget measures, including lower duties on key raw materials and stronger export incentives, to reduce import dependence and improve competitiveness. At the same time, demand continues to shift towards premium passenger car tyres that offer better wet grip, improved braking performance and lower rolling resistance for urban driving conditions.

Major industrial players are expanding aggressively into the consumer and commercial mobility segments. To improve pricing discipline and reduce channel conflicts, companies are increasingly drifting away from fragmented dealer structures to exclusive regional distribution models. This approach enables better market control, protects dealer territories and strengthens partnerships with re-treaders. This helps fleet operators reduce total cost of ownership (TCO) across logistics networks.

Carbon Black market

The global carbon black market is navigating a steady phase of structural expansion — from USD 21.1-21.5 Billion to USD 23.8-24.5 Billion by 2030 at a stable CAGR of 2.5-3%. On a volume basis, the global carbon black demand is estimated to increase from 15.2 Million tonnes to nearly 17 Million tonnes by the same year, averaging a growth rate of 2.3-2.4%. While the automotive tyre sector dictates the largest slice of the market, accounting for 74-75% of total volume consumption, the industry is actively diversifying into high-margin speciality carbons.

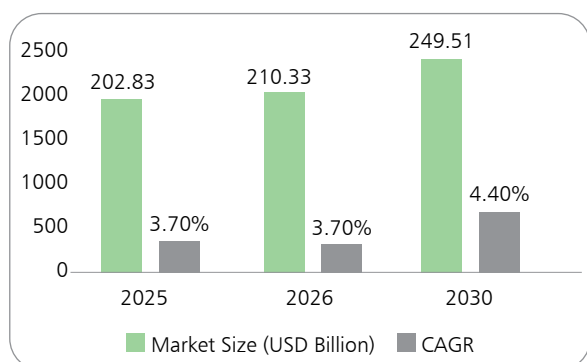
Directors' Report & Management Discussion and Analysis

Speciality carbon black is emerging as a strategic growth segment within the broader carbon black industry. An increasing adoption of carbon black by advanced applications beyond traditional tyre reinforcement is driving the demand. It is supported by growth across electric mobility, electronics, digital infrastructure, energy storage, and high-performance industrial applications. As a result, the speciality carbon black segment is expected to outperform the broader market, expanding 4–5% over the medium term.

Demand is rising for highly conductive formulations used in lithium-ion battery electrodes and speciality carbon solutions for plastics masterbatch, power distribution cables and industrial coatings. To protect operational margins against volatile feedstock baselines and strict carbon-emission mandates, manufacturers are scaling circular technologies, specifically commercialising sustainable reinforcing variants that utilise Tyre Pyrolysis Oil (TPO) as an eco-friendly feedstock.

The Indian carbon black market is accelerating rapidly, setting the market value on a 4-5% expansion to reach USD 2.3–2.5 Billion by 2030 from an estimated USD 1.8–1.9 Billion. This growth is propelled by massive public infrastructure outlays, a thriving domestic tyre manufacturing ecosystem — dominating application shares at 72.12% — and a 7.65% volume expansion in the plastics compounding sector for heavy-duty pipe extrusion and utility cable lines. The furnace black process commands an overwhelming 80.78% share of local production due to its supreme cost-efficiency, while specialised carbons grew fastest at 8.12%. Major domestic producers are commissioning capacities across the country, pairing advanced capacity expansions with waste-heat recovery, to satisfy tightening corporate ESG benchmarks.

Annual growth trajectory by material grade



12. BUSINESS REVIEW

The off-highway tyre (OHT) segment showed deep structural resilience with an annual sales volume of 3,17,356 tonne. Driven by an aftermarket replacement demand, the full-year standalone operational revenue reached ₹ 10,819.95 Crore, despite geopolitical challenges.

To accelerate our Vision 2030, since August 2024, we have cumulatively announced a capex outlay of ₹ 6,800 Crore, to be deployed through FY 2028-29. These investments are directed towards capacity expansion and infrastructure development across OHT and on-highway tyre categories, expansion of carbon black capabilities, AI-enabled automation in the on-highway business, and sustainability initiatives.

This roadmap includes ongoing manufacturing expansion of 35,000 MTPA, supported by continuous debottlenecking, to enhance OHT tyre capacity to 4,25,000 MTPA and support an 8% global market share. In parallel, we are ramping up our captive carbon black capacity to 3,60,000 MTPA by Q1 FY 2026-27, strengthening our integrated manufacturing advantage.

These investments also position us to scale the on-highway tyre business, with a targeted contribution of 20% to overall revenues by FY 2029-30.

Off-Highway Tyre - SCOT analysis

Strengths

- **Technology leadership:** BKT is the only Indian company developing and scaling advanced all-steel radial technology up to 57 inches for heavy earthmoving and mining applications.
- **Quality and innovation excellence:** Adherence to global quality standards, supported by advanced in-house robust R&D Centre and testing capabilities, strengthens the Company's ability to develop high-performance off-highway tyre solutions for diverse agricultural, industrial & mining applications.
- **Vertical integration and margin cushioning:** Full backward integration with the in-house carbon black plant ensures absolute control over the main raw material quality, protecting production from supply chain shocks.



- **Capacity scaling:** Total achievable tyre production capacity to reach 4,25,000 MTPA, positioned to capture larger global market share, as part of announced growth capex and debottlenecking.
- **Operational and product intelligence:** High capability to deploy advanced data analytics, technology, and premium product positioning to optimise real-world tyre performance, operational efficiency, and global customer retention.
- **Integrated manufacturing and global presence:** Advanced manufacturing facilities in India supported by overseas subsidiaries and distribution networks.
- **Global OEM partnerships:** Long-term relationships with leading global OEMs.

Opportunities

- **Large, untapped end market:** Growing investments in infrastructure and rising mechanisation in industrial and agricultural sectors across globe and in India, have enhanced demand across material handling, industrial OHT
- **Premiumisation and smart-tyre tech:** Shifting market preferences towards smart tyres, featuring embedded real-time pressure monitoring systems (TPMS) and advanced heat-resistant compounds, allow for premium pricing headroom.
- **Macroeconomic and trade tailwinds and GST 2.0:** Tax rationalisation and lower GST brackets on select tyre classes are providing a distinct domestic consumption boost.
- **Sustainability and eco-compliance:** Heightened global regulatory focus on low-emission equipment presents a major runway for BKT's specialised low-rolling-resistance and energy-efficient configurations.
- **Replacement market growth:** Higher equipment utilisation across construction, agriculture, mining and infrastructure sectors is expected to drive tyre replacement demand, while continued investments in roads, ports, smart cities and other infrastructure projects support long-term growth in the replacement segment.

Constraints and threats

- **Geopolitical and tariff vulnerabilities:** Escalating global trade friction and the risk of reciprocal import tariffs from primary Western trading partners create headwinds for stable export growth
- **High capital and labour intensive:** The off-road tyre (OTR) model is structurally asset-heavy, requiring massive upfront product development budgets, complex SKU inventory management, and labour intensive
- **Cyclical industry exposure:** Demand remains closely tied to highly volatile, cyclical core sectors like mining, construction, and public infrastructure
- **Raw material volatility:** Profitability and margin baselines are continuously exposed to sharp price swings in global natural rubber markets and crude-linked chemical feedstocks
- **Lengthy institutional ramps:** Strict, multi-tiered qualification protocols and long product approval timelines with global automotive/heavy equipment OEMs can delay real-time volume scale-ups in new product segments

The On-Highway venture

Building on nearly four decades of expertise, we have taken an important step forward by entering India's on-highway tyre market as part of our calibrated expansion strategy. Our On-Highway Tyre segment is being progressively shaped to address the domestic opportunity across two-wheelers, passenger car radial (PCR), and commercial vehicle radial (CVR) segments, marking a key milestone in BKT's growth journey.

During the year, we began building momentum by scaling our presence across high-volume segments, supported by the launch of specialised two-wheeler lines under our sub-brands, BKT Zenova and BKT Thyros, along with the rollout of our Commercial Vehicle Radial range, including BKT m.Loadxpert and BKT Milexpert RG. Developed and manufactured in India, these products are being engineered to deliver safety, reliability, and consistent performance across diverse terrains.

While the opportunity is still evolving, the principles guiding our journey remain unchanged – engineering excellence, product reliability, and a long-term commitment to customer value.

Directors' Report & Management Discussion and Analysis

SCOT analysis

Strengths

- **Engineering pedigree and dealers' trust:** Over 40 years of technical leadership in the OHT sector has cemented the confidence of our dealers, especially in the commercial vehicles space, focused on comfort, mileage, and durability.
- **Advanced R&D and compliance:** Certified under strict IATF 16949 and BIS compliance standards, equipped with premier testing infrastructure like NATRAX access to engineer advanced, low-rolling-resistance EV compounds.
- **Multi-segment expansion portfolio:** Product pipelines are strategically scaled across targeted sub-brands — for two-wheelers, BKT Zenova and BKT Thyros, for medium and heavy commercial vehicles (M&HCV), BKT Loadxpert and BKT Milexpert.
- **Capital-efficient distribution:** Operating a highly disciplined, distributor-led commercial framework backed by more than 70 regional distributors, allowing a controlled scale-up into underpenetrated Tier II and III retail corridors.

Constraints

- **Lower consumer brand salience:** BKT operates in lower consumer-facing awareness, compared to traditional, decades-old incumbents. The historical market association with industrial and OHT applications creates a brand perception barrier.
- **High influence of point-of-sale advocacy:** Lacks direct consumer pull, purchase decisions depend heavily on the recommendations of retail dealers and influencers.
- **Scale and pricing vulnerability:** Smaller initial volume scale compared to market leaders restricts the ability to offer aggressive bulk discounting schemes.
- **Cost and regulatory headwinds:** Margins are highly sensitive to global natural rubber price volatility and regional regulatory anomalies, such as inverted duty structures.

Opportunities

- **Market tailwinds:** Driven by an expanding Indian automotive parc, rising vehicle replacement demand, and a structural shift towards premiumisation (high-volume 11.00R20 commercial radials and larger rim sizes)

- **The EV and sustainability runway:** High-growth, premium pricing headroom exists within the specialised EV-ready tyre segment, justifying continued R&D capital expenditure
- **Increasing radialisation thresholds:** Commercial vehicle radialisation now exceeds 70%, creating a strong environment for players with a solid engineering narrative over cheap alternatives
- **Calibrated phased rollout:** A low-risk, phased strategy that builds brand equity in the two-wheeler and commercial segments first before scaling up higher-value passenger car radials (PCR).
- **Global network leverage:** BKT's presence across the US and Europe provides a powerful, underutilised springboard to scale the B2C on-highway portfolio.

Threats

- **Aggressive competitor discounting:** Industry peers are aggressively defending market share through price wars, promotions, and deep discounts.
- **Retail shelf-space battles:** Dealers consistently give preference to faster-moving or higher-margin competitor brands, impacting the physical push of BKT products at the retail counter.
- **Commodity price volatility:** Sharp pricing shocks in raw materials, particularly natural rubber, pose a constant threat to manufacturing cost structures.

The Carbon Black business

During the year, BKT Carbon expanded its diversified portfolio to cover reinforcing carbon products for tyres and mechanical rubber goods alongside premium specialty carbon segments like plastics masterbatch, coatings, inks, and niche. From a backward integration initiative for in-house requirements, the Carbon Black business has expanded to serve third-party customers, including major tyre manufacturers in India.

Operating with an annual capacity of 3,60,000 MTPA by Q1 of FY 2026-27 to unlock massive economies of scale, the company is set to capture Asia's premium carbon black expansion. It plans to pivot to high-margin specialty and sustainable lines. Certified under stringent EU REACH and IATF 16949 standards, these advanced production assets channel product innovation directly into transformative global mobility, infrastructure, and energy transition.

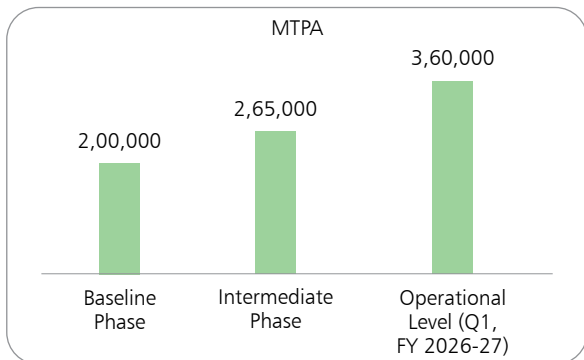


Sustainability remains central to this framework. Our reinforcing carbons maximise durability in heavy-duty tyres, automotive belts, hoses, and seals. The Use of Tyre Pyrolysis Oil (TPO) underscores our commitment to circular solutions.

We are fortifying our high-purity carbon segment and unlocking value creation opportunities by leveraging our patented carbon black feedstock purification. Our specialised high-purity carbons for power distribution cables are enabling global grid upgrades and expanding power generation networks. At the same time, the rapid growth of data centres is fuelling demand for speciality carbons to ensure reliable, high-capacity energy infrastructure.

We are targeting an aggressive 40% capacity expansion over the next five years across our reinforcing and speciality carbon operations. This is heavily supported by highly favourable market dynamics, where reinforcing carbon black demand is climbing at a stable 2.2% and premium speciality segments are expanding at 4–5% annually, on infrastructure rollouts and organic volume growth in automotive, packaging, and energy distribution networks. BKT Carbon is uniquely positioned to lead Asia's premium market and shape a sustainable industrial future that delivers enduring value to all global stakeholders.

BKT carbon multi-year capacity evolution



SCOT analysis

Strengths

- **Integrated operations:** Our fully integrated operations make carbon black products that strengthen BKT's demanding tyre compounds. Our innovations deliver differentiated solutions that address complex customer challenges.
- **Capacity expansion:** We plan to raise our annual capacity from 2,65,000 MTPA to 3,60,000 MTPA by Q1FY 2026-27, reaffirming supply security.

- **Strong domestic market:** India remains BKT Group's most resilient market, supported by favourable GST rates and strong demand in agriculture and infrastructure sectors.
- **Sustainability credentials:** Five-Star rating from the British Safety Council, reduced non-renewable electricity consumption, and community development initiatives enhance ESG positioning.

Constraints

- **US tariffs:** The sharp spike in import levies weigh on the finances.
- **Volatile commodity prices:** Carbon black feedstock costs fluctuate with crude oil prices, creating margin uncertainty.
- **Geopolitical impact:** supply chain disruption due to rising fuel prices.

Opportunities

- **Carbon black sales:** Carbon black is expected to contribute 10% of the group revenue by FY 2029-30 with strong focus on specialty blacks.
- **On-highway tyre expansion:** Entry into commercial vehicle radial and passenger car radial segments creates new internal demand for carbon black.
- **Sustainability-driven demand:** Growing preference for eco-friendly materials and processes align with BKT's ESG initiatives.

Threat

- **Geopolitical risks:** Trade disputes, tariffs, and regulatory changes like EU deforestation regulation can disrupt exports.

13. OPERATIONAL PERFORMANCE REVIEW

Manufacturing excellence and digital transformation

We are driving extensive factory-floor efficiencies and strategic cost-engineering across our industrial footprint in Waluj, Bhiwadi, Chopanki, and our flagship mega-plant in Bhuj. We have accelerated the deployment of AI and comprehensive SAP upgrades across our manufacturing ecosystem to unlock complete spend visibility down to the minutest level, transitioning operations from standard manual tracking to real-time filtration and data-backed decision-making.

Directors' Report & Management Discussion and Analysis

Cost-engineering on the plant floor has been heavily optimised through targeted energy and utility interventions. We replaced legacy direct-on-line starters with automated Variable Frequency Drives (VFDs), installed Venturi optimisation valves in our curing lines to drastically slash compressed air consumption, and deployed plate-type heat exchangers to achieve complete condensate steam recovery. These measures ensure that our production assets, certified by the EU REACH and IATF 16949 frameworks, operate at peak resource efficiency. Reflecting these world-class operational and safety standards, our flagship Bhuj facility secured a prestigious Five Star safety grading following a rigorous audit by the British Safety Council. Such digital and automated infrastructure is also being heavily leveraged to support our newly expanded, high-volume domestic B2C division.

Supply chain and logistics

We have transitioned our purchasing and logistics functions into agile, value-creation engines, driven by total cost-efficiency and structural automation. Over the past three years, our strategic logistics costs averaged an impressive 5.45% of sales revenue, sitting comfortably below the industry benchmark of 7.9% to 9%. We successfully reduced these costs to a highly competitive 4.40% in FY 2025-26. This lean architecture is reinforced by our direct-sales model, which ensures that less than 3% of our volume is routed through overseas warehouses, allowing us to dynamically fulfil just-in-time demands without carrying heavy localised overheads.

We systematically track our multi-segment SKU catalogue and enhance product visibility straight to the end consumer, under sub-brands like Zenova and Thyros, backed by an aggressive 4% SCM budget for our on-highway vertical for FY 2026-27.

To maintain a nimble financial footprint, our finished goods inventory is strictly maintained at 12 to 15 days of production and sales, achieving an annualised inventory turnover ratio exceeding 24 times. BKT is increasingly consolidating export sizes at our flagship Bhuj facility, located just 95 kilometres from Mundra Port. The Bhuj plant produces approximately 70% of our exports, with a clear roadmap to take it to 80% next year.

Environmental stewardship and physical automation are embedded directly into our everyday transport loops, highlighted by a 90% displacement of conventional warehouse diesel forklifts with electric alternatives. For near-field movements, the majority of our bulk carbon black transfers to the Bhuj tyre plant are executed utilising specialised, zero-packaging EV-SILO vehicles.

For long-distance interplant networks, we use an innovative dual-leg rail execution that carries carbon and compound from Bhuj to Bhiwadi. It returns export-ready tyres back to Mundra Port inside the exact same container, backed by a strict recycling loop that achieves six full operational rounds per jumbo packaging bag.

14. COMMITMENT TO SUSTAINABILITY

Sustainability and environmental stewardship

As stakeholders increasingly evaluate the off-highway tyre (OHT) industry on emissions, resource efficiency, and circularity along with raw performance, we are optimising resource use and ensuring safe and ethical workplaces.

To lower our carbon footprint, we have expanded the adoption of clean energy across our locations, led by our Waluj rooftop solar installation. This also includes transition to biofuels, and continued utilisation of wind energy at the Waluj plant. Targeted energy efficiency initiatives at the shop-floor level, including machinery upgrades, complement these measures. Our Variable Frequency Drives (VFDs) on air systems, automatic idle modes on extruder ventilation systems, and intelligent mixer blowers dynamically adjust power.

Water stewardship and circularity are critical to this broader sustainability approach. Under a strict Zero Liquid Discharge (ZLD) mandate, our tyre, power, and carbon black units treat, clean, and recycle almost the entire volume of manufacturing wastewater, reintegrating it into plant utility operations through advanced biological treatment and reverse osmosis.

Dedicated industrial and domestic effluent treatment infrastructure, strengthened by enhanced ZLD systems, ensures maximum water recovery, while residual organic sludge is repurposed as green-space fertiliser and for use in other industrial applications. Our Chopanki and Bhiwadi plants use rooftop rainwater harvesting systems and treat wastewater sourced from nearby residential societies, significantly reducing dependence on groundwater resources.

On the logistics and compounding floors, circular initiatives are helping reduce operational costs and waste. Jumbo bags used for carbon black transportation are reused up to six times, minimising plastic waste generation. Battery-operated trucks with pneumatic silos are deployed for internal carbon black movement, reducing emissions. We follow a reverse logistics model, where trucks delivering carbon black to other plants carry finished tyres on their return trips, eliminating empty backhauls and optimising transportation efficiency.



Emerging trends and our readiness

Emerging trends	Key industry context	Readiness and strategic actions
Environmental Footprint through Durability	Growing global demand for longer-lasting OHT lines to curb raw material consumption, minimise replacement frequencies, and reduce end-of-life (EoL) waste.	- Focus on engineering robust carcass designs, superior cut resistance, and advanced heat dissipation. - Sustained R&D emphasis on maximising tyre longevity.
Sustainable Agriculture Mechanisation	Modern farming increasingly prioritises soil preservation, minimising compaction to protect biodiversity, and reducing fuel consumption per hectare.	- Development of specialised radial agricultural tyres capable of carrying higher loads at lower inflation pressures to preserve topsoil. - Indirectly drives fuel efficiency and down-cycle emission reductions.
Circular Economy and End-of-Life (EoL) Management	OTR tyres represent one of the largest and least-recovered rubber waste streams globally. Less than 2% of mining OTR tyres are recycled in several regions.	- Strict internal focus on waste reduction, manufacturing process efficiencies, and higher material yields. - Corporate governance aligned with future traceability and circular compliance expectations. - Strategic pipeline development for integrating recycled and recovered materials.
Energy and Emissions Intensity	The tyre sector faces intensifying scrutiny to reduce Scope 1 and Scope 2 emissions, optimise curing/compounding energy, and transition to renewable grids.	- Utilising backward-integrated manufacturing to exercise direct control over energy and process efficiencies. - Continuous layout improvements through automation, energy-mix optimisation, and localised utilities. - Capital expenditure is designed to deliver both environmental benefits and cost competitiveness.
Responsible Material Use	Global manufacturing is shifting towards bio-based oils, eco-friendly fillers, and recycled rubber to decouple from virgin, fossil-based inputs.	- Focused innovation in compound engineering, material optimisation, and low rolling resistance layouts. - Commitment to performance-driven sustainability without engineering trade-offs. - Successful commercial integration of sustainable feedstocks, such as recovered oil from End-of-Life Tyres (ELT).

15. CULTIVATING THE HUMAN CAPITAL

BKT's human capital strategy integrates workplace equity, specialised skill frameworks, and holistic employee care into its core manufacturing culture. We strictly enforce a gender-neutral compensation system with absolute pay parity, and a transparent, skills-based recruitment framework to ensure zero discrimination.

To build a competitive, future-ready workforce, we have expanded our capability-building infrastructure. Our human resource teams deployed targeted corporate leadership initiatives, technical competency frameworks, behavioural skill programmes and AI-enabled productivity tools. These programmes cultivate in them faster decision-making abilities, sharper strategic execution, and significantly greater leverage from existing talent capabilities. Newly recruited workmen undergo a structured 'Campus to Corporate' foundation framework to master safe workplace habits before stepping on to the operational floor. This continuous development cycle is reinforced by mandatory annual refreshers covering our corporate Code of Conduct, Prevention of Sexual Harassment (POSH) protocols, and workplace ethics. We also accelerated shop-floor motivation through our Employee Recognition Scheme and Kaizen culture initiatives.

The company has rolled out an advanced Occupational Health Centre (OHC) to provide immediate on-site healthcare, professional first-aid training, led by external medical faculties, and expert-led wellness programmes. To further support our workforce, we updated our core employee benefits, including the National Pension Scheme, cashless Mediclaim enhancements, and Term Life Insurance upgrades.

Our deep focus on workplace safety was validated by world-class safety certifications and global accolades. We halved our plant incident rate while sustaining our target of zero lost-time injuries. Our proactive plant-floor safety architecture relies heavily on robust physical engineering controls, automated hardware safeguards, and biometric restricted access systems for high-risk chemical storage environments. To eliminate unsafe acts, we complement these physical barriers with continuous competency development, supervisor-led briefings, and Behaviour-Based Safety (BBS) training systems across all manufacturing facilities.

Directors' Report & Management Discussion and Analysis

Performance highlights

- Zero plant incident rate
- 1,200 people trained per day in shop-floor safety systems, up from 1,000 earlier
- 3.4 lakh+ training man-hours delivered across technical, behavioural, and compliance modules
- 5,020 active respondents participating in our comprehensive corporate Well-Being Survey

16. CORPORATE SOCIAL RESPONSIBILITY

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

The Board of Directors of the Company has approved a Corporate Social Responsibility (CSR) Policy based on the recommendation of the CSR Committee. The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure-II. The Board of Directors has formed a committee on CSR in accordance with the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee, number and dates of meetings held, composition and attendance of the Directors during the financial year ended 31st March, 2026 are given separately in the Corporate Governance Report. During the year under review, the Company was required to spend ₹ 42.73 Crores including unspent CSR amount of ₹ 8.69 Crores for FY 2024-25. The Company has spent ₹ 44.21 Crores during FY 2025-26, resulting in an excess spend of ₹ 1.48 Crores over the mandated amount.

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

17. RISK MANAGEMENT AND MITIGATION FRAMEWORK

Risk management forms an integral part of the Company's governance and strategic decision-making processes. The Board of Directors has overall responsibility for oversight of the Company's risk

management framework and is supported by the Risk Management Committee constituted in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has defined a comprehensive Enterprise Risk Management Policy that defines governance structures, roles and responsibilities, and processes for risk identification, assessment, monitoring, and reporting. The Audit Committee oversees compliance with the Company's risk management policies, while periodic reviews of risk controls and internal financial controls are conducted, with observations and recommendations reported to the Audit Committee.

Based on the Enterprise Risk Management (ERM) framework adopted by the Company, ongoing risk awareness initiatives, periodic risk assessment processes and governance oversight by the Board and its committees, the Board is of the view that there are no material risks which, in its opinion, threaten the existence or continuity of the Company.

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

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

Risks related to business

Balkrishna Industries Limited ("the Company") operates in a global business environment influenced by geopolitical developments, commodity price fluctuations dynamic regulatory environment and sustainability linked expectations.

Given the global scale of operations and capital as well as labour intensive manufacturing processes, the Company is exposed to a range of strategic, operational, financial, technology and climate risks

The Company has established a structured Enterprise Risk Management ("ERM") framework to proactively identify, assess, monitor, and mitigate risks ensuring long-term organisational resilience. As part of the ERM framework, identified risks, are periodically reviewed by the management and the Risk Management Committee, and appropriate mitigation measures are implemented.



Key risks and their mitigation

Key risk identified	Structured mitigation approach
Raw Material Price Volatility	- Leverages deep vertical integration, particularly through the in-house production of high-performance carbon black via BKT Carbon, to insulate manufacturing costs - Executes aggressive internal value-engineering, recipe optimisation, and agile batch-production capabilities to cushion operating margins against cost-push inflation in raw material baskets
Demand Cyclicity Across End-Use Sectors	- Maintains a highly diversified global product catalogue of over 3,600 specialised SKUs across distinct agri, industrial, mining, and consumer applications - Anchors volume stability through a highly resilient aftermarket replacement segment, which provides non-discretionary wear-and-tear demand to balance cyclical adjustments in the Original Equipment Manufacturer (OEM) pipeline
Foreign Exchange Fluctuations	- Deploys a well-balanced global revenue footprint distributed fluidly across Europe, the Americas, and a buoyant domestic Indian market - Utilises structured financial hedging models and centralised treasury protocols to systematically actively monitor, manage, and mitigate multi-currency exposure
Climate-Related Disruptions	- Accelerates operational sustainability and decarbonisation through heavy local resource insulation, including robust rooftop solar power infrastructure and alternative feedstock scaling (such as sustainable Tyre Pyrolysis Oil) - Mitigates absolute freshwater risks and local weather anomalies by operating as a strict Zero Liquid Discharge (ZLD) group, recycling massive process effluents back into production utility lines
Changes in Regulatory Landscapes	- Anchors all manufacturing lines and chemical setups under strict global compliance protocols, including full alignment with EU REACH mandates and IATF 16949 quality standards - Conducts ongoing policy-alignment matrices and regulatory reviews across all international trade corridors to ensure uninterrupted cross-border shipments and robust market access

18. 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 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 Cyber Security and Data Privacy Policy. This safeguards IT assets and ensures responsible handling of personal and sensitive data in accordance with applicable laws.

f. Assessment and Audit Committee Review:

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

Limitations and Future Considerations:

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.

Directors' Report & Management Discussion and Analysis

h. Risk Management and Compliance:

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

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.

19. SUBSIDIARY COMPANIES

At the end of the year under review, the Company had five Overseas Wholly Owned Subsidiary Companies (WOS). The Overseas WOS are BKT EUROPE S.R.L., BKT USA INC, BKT TIRES (CANADA) INC., BKT TIRES INC, BKT NETHERLANDS B.V. 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/ww/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.

20. DIRECTORS' RESPONSIBILITY STATEMENT

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

- that in the preparation of the annual accounts for the year ended 31st March, 2026, the applicable accounting standards have been followed and there are no material departures from the same;
- the Directors have selected such accounting policies and applied them consistently and made

judgements 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, 2026 and the Statement of Profit and Loss of the Company for the FY ended 31st March, 2026;

- 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;
- the Directors have prepared the annual accounts of the Company on a "Going Concern" basis;
- 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
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that systems are adequate and operating effectively.

21. 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/ww/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.

22. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Directors are pleased to inform that, based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors, the Shareholders have approved the following appointments and re-appointments through Postal Ballot dated 19th December 2025:

- By passing a Special Resolutions, approval was accorded for the re-appointment of Mr. Arvind Poddar as the Managing Director of the Company for a further period of five (5) years, with effect from 1st August 2026 up to 31st July 2031, upon the expiry of his present term of office and Mr. Natarajan Gnanaskandan Tanjore was appointed as an Independent Director of the Company for a term of five (5) years with effect from 1st February 2026.
- By passing an Ordinary Resolution, Mr. Ashok Saraf was appointed as a Non-Executive, Non-Independent Director, liable to retire by rotation, with effect from 1st February 2026.

During the year under review, Mrs. Vijaylaxmi Poddar (DIN: 00160484), Mr. Vipul Shah (DIN: 05199526), and Mr. Ashok Saraf (DIN: 01627873) retire by rotation and, being eligible, have offered themselves for re-appointment. A resolution seeking the approval of the Shareholders for their re-appointment, along with the requisite details, forms part of the Notice.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company remains committed to maintaining the highest standards of Corporate Governance and adheres to the requirements prescribed by SEBI. The Company has complied with the Corporate Governance provisions as stipulated under the Listing Regulations, 2015. Accordingly, the Report on Corporate Governance forms an integral part of this Annual Report.

The requisite certificate from the Statutory Auditors of the Company confirming compliance with the conditions of Corporate Governance is annexed to the said Report.

23. 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:

- Criteria for Appointment of Managing Director / Whole Time Director/ Director:

The Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise and experience particularly in Tire Industry, leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

- 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.

24. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board is required to undertake an annual evaluation of its own performance, as well as that of its committees and individual Directors. The Nomination and Remuneration Committee (NRC) also evaluates the performance of each Director.

Accordingly, during the year under review, the Board, the Independent Directors, and the NRC carried out the annual performance evaluation.

For the purpose of evaluating the performance of the Board as a whole, its committees, and individual Directors, including the Chairman, the Company has devised a structured questionnaire. Each Director is required to complete the questionnaire, providing

Directors' Report & Management Discussion and Analysis

ratings on various parameters relating to the performance of the Board, its committees, and other Directors, excluding self-evaluation.

Based on the responses received to the questionnaire, a matrix reflecting the ratings was prepared and presented before the Board for its formal annual evaluation of the performance of the Board as a whole, its committees, and individual Directors.

The Board reviewed the evaluation outcomes and expressed satisfaction with the overall performance. This evaluation process ensures adherence to regulatory requirements while promoting continuous improvement in leadership effectiveness, decision-making, and corporate governance practices.

The Directors bring a wealth of expertise and experience, contributing meaningfully to the strategic direction of the Company. The Independent Directors are highly valued for their objective judgement, deep understanding of the business, and their ability to express views freely and constructively during deliberations. The Non-Executive Directors provide balanced and diverse perspectives, while the Executive Directors demonstrate strong action orientation and effectiveness in executing the decisions of the Board.

The Chairman plays a pivotal role in guiding the Board, fostering an environment of open discussion, and encouraging active participation from all members, thereby strengthening a dynamic and robust governance framework.

The performance evaluation of the Independent Directors was carried out by the entire Board. As part of this process, a separate meeting of the Independent Directors for FY 2025-26, chaired by Mr. Pannkaj Ghadiali, was held on 28th March 2026.

During the meeting, the Independent Directors reviewed the performance of the Non-Independent Directors, the Board as a whole, and the Chairman, based on defined parameters of effectiveness. They also assessed the quality, adequacy, and timeliness of the flow of information between the Management and the Board to ensure transparency and efficiency in governance practices.

The Directors expressed their satisfaction with the evaluation process, reaffirming the Company's commitment to maintaining high standards of corporate governance and continuously enhancing leadership effectiveness.

25. AUDITORS

Statutory auditor

In accordance with Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s Jayantilal Thakkar & Co (Firm Registration Number 104133W), Chartered Accountants was appointed as the Statutory Auditors of the Company for a period of 5 years, from the conclusion of 60th Annual General Meeting (AGM) until the conclusion of the 65th AGM, at the AGM held on July 7, 2022.

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 report given by M/s Jayantilal Thakkar & Co, Chartered Accountants, Statutory Auditors on financial statements of the Company for FY 2025-26 is part of the Annual Report. The comments on statement of accounts referred to in the report of the Auditors are self-explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Joint auditor

The Board of Directors at their meeting held on 8th May, 2026 has appointed M/s. Deloitte Haskins and Sells Chartered Accountants LLP, ICAI Firm Registration Number: 117364W/W100739 as the Joint Auditors in accordance with Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, for a term of five consecutive years i.e. from the conclusion of the 64th AGM until the conclusion of the 69th AGM, subject to approval of the Members.

Secretarial auditor

In accordance with Regulation 24A of the SEBI Listing Regulations and Section 204 of the Companies Act, the members of the company, at the 63rd AGM held on July 26, 2025, approved 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.

Mr. G.B.B Babuji, Company Secretary in Whole Time Practice has confirmed that they continue to meet eligibility criteria and are not disqualified from serving as Auditors of the Company. 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.



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 financial year ended 31st March, 2026 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 under review, in accordance with Section 148(1) of the Act, the Company has maintained the accounts and cost records, as specified by the Central Government. Such cost accounts and records were subjected to audit by M/s. RA and Co., Cost Accountants (Registration No. 000242) of the Company for FY 2025-26.

The Board of Directors has re-appointed M/s. RA and Co., Cost Accountants (Registration No. 000242) as Cost Auditors of the Company and recommends ratification of the remuneration payable to the Cost Accountants for the year ending on 31st March, 2027 by the Members at the ensuing AGM. 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.

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 2026-27, 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.

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 2024-25 did not contain any qualifications, reservations, adverse remarks or disclaimers and no frauds were reported by the Cost Auditors to the Company under sub-section (12) of Section 143 of the Act.

26. INDUSTRIAL RELATIONS

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

27. 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.

28. DISCLOSURES

i. Non-Convertible Debentures

During the FY 2025-26, your Company has issued and allotted 75,000 rated, listed, Unsecured Redeemable Non-Convertible Debentures of face value of ₹ 1,00,000 each amounting to ₹ 750 Crores on private placement on 23rd March, 2026.

ii. Commercial Paper

During the FY 2025-26, your Company has issued Listed Commercial papers aggregating to ₹ 200 Crores and redeemed the Commercial papers aggregating to ₹ 200 Crores in compliance with applicable provisions.

iii. Vigil Mechanism /Whistle Blower Policy

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to address instances of fraud, misconduct, or mismanagement, if any.

Adequate safeguards are in place to protect individuals who avail of this mechanism against any form of victimisation or retaliation. The Vigil Mechanism and Whistle Blower Policy are available on the Company's website and can be accessed at: <https://www.bkt-tires.com/www/us/investors-desk>.

Directors' Report & Management Discussion and Analysis

iv. 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.

v. Number of Board Meetings

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

vi. 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.

vii. 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.

viii. Annual Return:

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

ix. Particulars of Employees and related disclosures:

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

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

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

x. 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.

xi. Business Responsibility and Sustainability Committee Report

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

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

In terms of Regulation 34 of the Listing Regulations, 2015 read with relevant SEBI Circulars, new reporting requirements on ESG parameters were prescribed under "Business Responsibility and Sustainability Report" ('BRSR'). The BRSR seeks disclosure on the performance of the Company against nine principles of the p"National Guidelines on Responsible Business Conduct" ('NGRBCs'). Accordingly, for the FY ended 31st March, 2026, your Company is publishing Business Responsibility Report. BRSR describes the initiatives taken by the Company from an environmental, social and governance prospective, in the prescribed form is annexed as Annexure – VI and forms an integral part of the Annual Report.

xii. Compliance with the Institute of Company Secretaries of India ("ICSI") Secretarial Standards

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



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

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

xiii. 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.

29. CAUTIONARY STATEMENT

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.

30. 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

Place: Mumbai
Dated: 8th May, 2026

Chairman & Managing Director
DIN: 00089984

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ANNEXURE - I

FORM AOC-1

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

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURE.

Part "A": Subsidiaries

Sr. No.	Particulars	1	2	3	4	5
		(₹ in Crores)				
1.	Name of the Subsidiary	BKT TIRES INC	BKT EUROPE S.R.L.	BKT USA INC	BKT TIRES (CANADA) INC	BKT Netherlands B.V.
2.	The Date when subsidiary was acquired (Date of remittance of funds).	19 th August, 2014	18 th July, 2006	15 th October, 2009	20 th May, 2013	7 th July, 2025
3.	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 st April, 2025 to 31 st March, 2026.				
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. [#]	USD	EURO	USD	CAD	EURO
5.	Share Capital	0.37	0.13	0.01	0.02	0.10
6.	Reserves & Surplus	7.49	38.29	22.66	2.92	0.21
7.	Total Assets	86.16	324.28	29.00	3.63	0.98
8.	Total Liabilities	78.30	285.85	6.33	0.68	0.67
9.	Investment	NIL	NIL	NIL	NIL	NIL
10.	Turnover (include other income)	157.36	574.28	60.18	14.68	8.30
11.	Profit/ (Loss) Before Taxation	13.11	41.17	3.07	1.22	0.51
12.	Provision for Taxation*	0.22	4.55	0.59	0.20	0.04
13.	Profit/(Loss) After Taxation	12.89	36.62	2.48	1.02	0.47
14.	Proposed Dividend	NIL	NIL	NIL	NIL	NIL
15.	% of Shareholding	100%	100%	100%	100%	100%

Notes:

[#]Exchange Rate

1 EURO = ₹ 109.0064 1 USD = ₹ 94.6543 1 CAD = ₹ 67.7810

• 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 31st March, 2026.

For and on behalf of the Board of Directors

ARVIND PODDAR
Chairman & Managing Director

RAJIV PODDAR
Joint Managing Director

Place: Mumbai
Dated: 8th May, 2026

MADHUSUDAN BAJAJ
Senior President (Commercial) & CFO

VIPUL SHAH
Director & Company Secretary



ANNEXURE - II

Annual Report on Corporate Social Responsibility (CSR) activities for the FY 2025-26

(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:

The CSR vision of the Company is "Promotion of Education, Health and Rural Development". We believe in creating synergies with our partners and communities and are committed to augmenting the overall economic and social development of local communities. Our Corporate Social Responsibility's (CSR) strength lies in improving the quality of life of the under-served sections of the society by focusing on Healthcare, Education, Rural Development, and or any other activities under

Schedule VII of the Companies Act, 2013 for the service of the nation and the greater good of the communities. We believe in transformation by inter-weaving social responsibility by influencing not only the employees but mobilising various stakeholders to embrace responsible social practices in their respective spheres of life. It re-affirms our commitment and faith to preserve and augment natural progression of growth both for communities and resources.

The CSR Policy of the Company is available on the Company's website at <https://www.bkt-tires.com/www/us/investors-desk>.

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.

Web Link for 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

Web Link for CSR policy is available at:

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

CSR Projects is available at: www.bkt-tires.com/www/us/investors-desk.

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.

KPMG has performed the impact assessment study on the programme carried by Balkrishna Industries Limited, called "BAVP – Expansion of the hospital infrastructure project, Upgradation of centralised kitchen project, Mid day meal support project, and Mukangan - Gokhale road school south and Sayani road school project". This is only a summary of our report and the Impact assessment report is available on the company's website at www.bkt-tires.com/www/us/investors-desk.

The Executive Summary of Impact Assessment of CSR Projects is 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 4th floor of Hedgewar Hospital in Chhatrapati Sambhaji Nagar, Maharashtra through Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan (BAVP).

Directors' Report & Management Discussion and Analysis

Objective:

- To improve bed capacity and create a multi-use facility, for use by various hospital departments, by way of expansion of 4th 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 4th 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 4th 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 50,000 meals each day**.
- Through BKT Tires, the Akshaya Patra Bhuj kitchen was supported with the following items: 5 electric vehicles, gas fired boiler, vehicle parking area shed and fabrication, ETP area shed and fabrication, PNG gas skid station shed and fabrication, and miscellaneous kitchen utilities.



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 environment and operational efficiency-
 - Findings suggest a 57.2% and 63.8% decrease reduction in electricity units consumed and cost savings due to it, respectively.
 - The introduction of new EVs also resulted in an annual diesel cost savings of ₹ 3,51,867 and about 10 tonnes/year reduction in CO₂ emissions.
- Improved safety and project sustainability - The vehicle parking shed constructed with BKT's support has significantly improved the maintenance and longevity of the vehicles. With the availability of the covered shed, vehicles are now securely parked under proper shelter. Overall, the support has contributed to better asset protection, enhanced vehicle lifespan, improved appearance, and reduced maintenance costs over time.
- Improved student impact - Due to improved organisational efficiency and resulting cost savings, the projects was able to expand its capacity to reach an additional 600 students.

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 23,200 mid-day meals to improve the nutritional status of children studying in 360 government and government-aided schools in Bhuj, Gujrat. It aimed 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.
- 78% 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.
- 68% of teachers reported an improvement in student attendance ranging between 81-100%, with 23% supporting a 60-80% improvement, demonstrating the programme's ability to encourage consistent school attendance
- 77% of the respondent teachers reported that the project has significantly improved students' health since children started receiving a nutritious meal while at school.

V. Impact Assessment study of project 'CUVIS Joints' robotic equipment at King Edward Memorial Hospital, Mumbai

About the project:

BKT Tires supported the installation of the advanced CUVIS Joint Robotic System for knee replacement surgeries at Seth GS Medical College and King Edward Memorial Hospital, Parel, Mumbai. This cutting-edge robotic technology enables precise, pre-planned, and fully automated surgical procedures. Meril Life technicians trained surgeons to operate the system. The initiative aims to provide free, high-quality treatment to 100-150 economically disadvantaged patients annually.

Objective:

- Train orthopaedic surgeons and support staff on how to operate the CUVIS joints equipment for maximum success.
- Conduct free knee replacement surgeries using CUVIS technology for patients from economically weaker sections.
- Deliver follow-up consultations and provide instructions to patients and their caregivers on proper care after surgery.

Directors' Report & Management Discussion and Analysis

Key Findings:

- During 2023-24, 218 knee replacements were done and 173 patients were treated. Out of the patients treated 54 were males and 119 Females.
- 100% of the orthopaedic surgeons have noted that the 3D preplanning feature exhibits greater accuracy as compared to traditional methods.
- 86% of the respondents stated that they have observed improved prosthesis alignment using this robotic system which ensures that the implanted joint restores normal biomechanics and distributes forces evenly across the patient's joint.
- 100% of the surgeons noted that the Bone Motion Monitor (BMM) helps ensure patient safety during surgery as it acts as a safety and feedback mechanism.
- 85% of the surgeons have noted that the recovery time is generally faster than traditional methods, though it varies on a case-by-case basis depending on many health parameters.
- 71% of the surgeons noted that the patients who have been operated on using CUVIS, versus the traditional non-robotic methods, often experience fewer post-surgical complications.

VI. Impact Assessment study of project 'CUVIS Joints' robotic equipment at Lokmanya Tilak Municipal Medical College and General Hospital, Mumbai

About the project:

BKT Tires supported the installation of the advanced CUVIS Joint Robotic System for knee replacement surgeries at Lokmanya Tilak Municipal Medical College and General Hospital in Sion, Mumbai. This cutting-edge robotic technology enables precise, pre-planned, and fully automated surgical procedures. Merilife technicians trained surgeons to operate the system. The initiative aims to provide free, high-quality treatment to ~150 economically disadvantaged patients annually.

Objective:

- Train orthopedic surgeons and support staff on how to operate the CUVIS joints equipment for maximum success.
- Conduct free knee replacement surgeries using CUVIS technology for patients from economically weaker sections.
- Deliver follow-up consultations and provide instructions to patients and their caregivers on proper care after surgery.

Key Findings:

- During 2023-24, 44 knee replacements were done and 44 patients were treated. Out of the patients treated 18 were males and 26 were Females.
- 90% of the orthopaedic surgeons have noted that the 3D preplanning feature exhibits greater accuracy as compared to traditional methods.
- 90% of the respondents stated that they have observed improved prosthesis alignment using this robotic system which ensures that the implanted joint restores normal biomechanics and distributes forces evenly across the patient's joint.
- 100% of the surgeons noted that the Bone Motion Monitor (BMM) helps ensure patient safety during surgery as it acts as a safety and feedback mechanism.
- 80% of the surgeons have noted that the recovery time is generally faster than traditional methods, though it varies on a case-by-case basis depending on many health parameters.
- 80% of the surgeons noted that the patients who have been operated on using CUVIS, versus the traditional non-robotic methods, often experience fewer post-surgical complications.



5. (a) Average net profit of the Company as per sub-section (5) of Section 135 = ₹ 1,702.16 Crore
 (b) Two percent of average net profit of the Company as per sub-section (5) of Section 135 = ₹ 34.04 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 – Nil
 (e) Total CSR obligation for the financial year [(b)+(c) -(d)] = ₹ 34.04 Crore
6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects) = ₹ 42.64 Crore
 (b) Amount spent in Administrative Overhead = ₹ 0.09 Crore
 (c) Amount spent on Impact Assessment, if applicable = Nil
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. = ₹ 42.73 Crore
 (e) CSR amount spent or unspent for the Financial Year:

(₹ In Crores)

Total Amount Spent for the Financial Year.	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135.		Amount Unspent		
	Amount.	Date of transfer.	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135.		
			Name of the Fund	Amount.	Date of transfer.
*42.73	Nil	-	-	-	-

*During the FY 2025-26 the Company was required to spend ₹ 42.73 Crores (i.e 2% average net profit of ₹ 34.04 Crores plus unspent CSR amount of ₹ 8.69 Crores for FY 2024-25). The Company has spent ₹ 44.21 Crores during the FY 2025-26 with excess amount of ₹ 1.48 Crores which shall be set off in immediate succeeding three financial years.

- (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	34.04
(ii)	Total amount spent for the Financial Year	*42.73
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	*1.48
(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)]	1.48

*During the FY 2025-26 the Company was required to spend ₹ 42.73 Crores (i.e 2% average net profit of ₹ 34.04 Crores plus unspent CSR amount of ₹ 8.69 Crores for FY 2024-25). The Company has spent ₹ 44.21 Crores during the FY 2025-26 with excess amount of ₹ 1.48 Crores which shall be set off immediate succeeding three financial years.

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

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)
					Amount (in ₹)	Date of Transfer	Deficiency, if any
1	FY 2024-25	₹ 8.69	NIL	₹ 8.69	NIL	NIL	NIL

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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 38

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.	Community Hall Address: Ahir Bhavan, Ahir Samajwadi, Village-Padhdhar, Tal: Bhuj-Kutch, Gujarat.	370001	15 th July, 2025 26 th August, 2025 18 th November, 2025 10 th January, 2026 23 rd February, 2026 31 st March, 2026	6.38	Direct	-	-
2.	Boundary wall Address: Ahir Samajwadi, Village: Vadvara, Tal: Bhuj-Kutch, Gujarat.	370001	30 th May, 2025	0.23	Direct		
3.	Sports Injury Rehabilitation Centre. Address: KEM Hospital, 12 th Floor, A& B wings, Acharya Donde Marg, Parel, Mumbai.	400012	09 th May, 2025 13 th May, 2025 13 th June, 2025 17 th June, 2025 09 th June, 2025	2.08	Direct		
4.	Construction of well equipped Science laboratory Address: Kewale High school, Kewale Village, Raigad, Maharashtra.	410206	07 th August, 2025	0.02	CSR00012159	Kushtarog Niwaran Samiti	Shantivan, P O Nere, Panvel-410206, Maharashtra
5.	Sports Injury Rehabilitation Centre Address: KEM Hospital, 12 th Floor, A& B wings, Acharya Donde Marg, Parel, Mumbai.	400012	17 th June, 2025 26 th June, 2025 25 th August, 2025 29 th August, 2025 05 th September, 2025 15 th September, 2025 26 th September, 2025 13 th October, 2025 14 th October, 2025 07 th November, 2025 13 th November, 2025 14 th November, 2025 06 th November, 2025 16 th December, 2025 03 rd January, 2026 09 th January, 2026 19 th January, 2026 20 th January, 2026 04 th February, 2026	16.28	Direct	-	-



(₹ In Crores)

Sl. No.	Short particulars of the property or asset(s)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
	[including complete address and location of the property]						
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
6.	Construction of Self-Financed Private Skills University, comprising of 6 schools of higher education in the nature of degree college Address: Bajaj Hall, S V Road, Malad West, Mumbai.	400064	19 th December, 2025 23 rd March, 2026	5.00	CSR00002265	Rajasthani Sammelan Education Trust, Mumbai	RSET Campus, S V Road, Malad (West) Mumbai - 400 064, Maharashtra
7.	Computers & Printers & UPS Address: Lakhond, Nadapa, Galpadar, Kandherai, Bhuj, Dhaneti, Azarakhpur, Madhapar, Chandrani, Kukma, Tal: Bhuj-Kachchh Ratnal, Tal: Anjar-Kachchh.	370001 370110	19 th April, 2025 13 th May, 2025 14 th May, 2025 24 th June, 2025 03 rd October, 2025 16 th December, 2025 26 th December, 2025 06 th January, 2026	0.14	Direct		
8.	Computers & UPS Address: Vijay Mandir, P.O. Vijay Mandir, Behror Road, Alwar, Dist: Alwar, Rajasthan.	301023	28 th April, 2025 23 rd July, 2025	0.20	Direct		
9.	Air Conditioner Address: Alwar, Dist: Alwar Rajasthan.	301001	30 th April, 2025 14 th October, 2025	0.17	Direct		
10.	Air Conditioner Address: Madhapar, Bhuj, Tal: Bhuj-Kachchh, Gujarat.	370001	12 th March, 2026	0.06	Direct		
11.	PA System with Unit Horns & Speakers Address: Vadvara, Kandherai, Dhaneti, Nadapa, Tal: Bhuj-Kachchh.	370001	26 th November, 2025 26 th December, 2025 19 th January, 2026 31 st March, 2026	0.05	Direct		

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(₹ 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
12.	RO Plant, PVC Water Tank, Water cooler Address: Paddhar, Lakhond, Gada, Rudrani, Mamuara, Dhaneti, Reldi Nani. Kukma, Chapredi, Nadapa, Raydhanpar, Gandher, Chubdak, Kanaiyabe, Mota Varnora, Dagala, Traya, Habay, Tal: Bhuj-Kachchh. Ratnal, Ningal, Sapda, Khokhra, Modsar, Tal: Anjar-Kachchh.	370001 370110	19 th April, 2025 24 th June, 2025 03 rd July, 2025 27 th January, 2026 12 th February, 2026 27 th February, 2026	0.42	Direct		
13.	UPS - 3KVA Address: Dhaneti, Kukma, Madhapar, Tal: Bhuj-Kachchh Ratnal, Chandrani, Tal: Anjar-Kachchh.	370001 370110	13 th May, 2025	0.02	Direct		
14.	Street Lights, Flood Lights, LED Tube Light Address: Vadvara, Kandherai, Gandher, Chubdak, Saiyadpar, Tal: Bhuj-Kachchh, Gujarat. Bhalot, Tal: Anjar-Kachchh, Gujarat.	370001 370110	16 th May, 2025 26 th November, 2025 20 th March, 2026	0.11	Direct		
15.	Samajwadi Building, Rooms, Kitchen, Shed, Paver work, Electric Work, Mesonary work, Plumbing, Boundary Wall Address: Vadvara, Paddhar, Dhaneti, Mamuara, Jhikdi, Dhrang, Tal: Bhuj-Kachchh. Ningal, Tal: Anjar-Kachchh.	370001 370110	31 st March, 2026 11 th September, 2025 26 th November, 2025 27 th January, 2026 05 th March, 2026	1.98	Direct		



(₹ 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
16.	Gaushala Shed - Fodder Godown - Temple Shed & Paver - Village Shed Address: Dhaneti, Chapredi, Nadapa, Ukhadmora, Vavdi, Raydhanpar, Traya, Gada, Tal: Bhuj-Kachchh. Sugariya, Khokhra, Bhalot, Tal: Anjar-Kachchh.	370001	21 st May, 2025 16 th June, 2025 19 th July, 2025 03 rd October, 2025 28 th October, 2025 06 th January, 2026 20 th March, 2026 26 th March, 2026 31 st March, 2026	1.37	Direct		
17.	Shed & Grill Address: Dholavira, Tal: Bhachau-Kachchh, Gujarat.	370165	11 th November, 2025	0.02	Direct		
18.	Steps & Railing Address: Lakhond, Tal: Bhuj-Kachchh, Gujarat.	370001	31 st March, 2026	0.15	Direct		
19.	Aluminium Doors Address: Madhapar, Tal: Bhuj-Kachchh, Gujarat.	370001	27 th January, 2026	0.03	Direct		
20.	School Sheds - Library Room - Flooring - Compound Wall, Toilet-Blocks, Platform Address: Kandherai, Nani Reldi, Kukma, Nadapa, Madhapar, Tal: Bhuj-Kachchh. Ratnal, Tal: Anjar-Kachchh.	370001 370110	03 rd July, 2025 12 th August, 2025 15 th November, 2025 19 th November, 2025 26 th December, 2025 02 nd January, 2026 27 th January, 2026 12 th February, 2026 03 rd March, 2026 12 th March, 2026 20 th March, 2026 26 th March, 2026 30 th March, 2026 31 st March, 2026	1.10	Direct		

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(₹ 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
21.	CCTV Camera Address: Kandherai, Dhaneti, Galpadar, Bhuj, Kukma, Nani Reldi, Moti Reldi, Chubdak, Vavdi, Gandher Tal: Bhuj- Kachchh, Gujarat Ratnal, Bhalot, Tal: Anjar-Kachchh.	370001 370110	12 th June, 2025 12 th August, 2025 14 th February, 2026 27 th February, 2026 20 th March, 2026 31 st March, 2026	0.29	Direct		
22.	CCTV Camera Address: Vijay Mandir, P.O. Vijay Mandir, Behror Road, Alwar, Dist: Alwar, Rajasthan.	301023	23 rd July, 2025	0.01	Direct		
23.	CCTV Camera Address: Ghamahapur, Gangapur(Town Area) Varanasi, Dist: Varanasi, Uttar Pradesh.	221302	03 rd July, 2025	0.03	Direct		
24.	Sound System, Speaker, Mic, PA Lecture System Address: Kandherai, Azrakhpur, Lakhond, Nadapa, Tal: Bhuj-Kachchh, Gujarat.	370001	22 nd July, 2025 19 th January, 2026 20 th March, 2026	0.04	Direct		
25.	Sound System, Speaker, Mic Address: Varanasi, Dist: Varanasi, Uttar Pradesh.	221302	03 rd July, 2025	0.05	Direct		



(₹ 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
26.	Smartboard Address: Kandherai, Nadapa, Ratnal, Dhaneti, Madhapar, Tal: Bhuj-Kachchh, Gujarat.	370001	24 th June, 2025 15 th October, 2025 19 th January, 2026 20 th March, 2026 31 st March, 2026	0.54	Direct		
27.	Smartboard Address: Vijay Mandir, P.O. Vijay Mandir, Behror Road, Alwar, Dist: Alwar, Rajasthan.	301023	23 rd July, 2025	0.01	Direct		
28.	Video Conferencing Setup Address: Alwar, Dist: Alwar, Rajasthan.	301023	26 th March, 2026	0.04	Direct		
29.	Electric Appliances: Ceiling Fan, Wall Fan, LED Lights, Fridge, Water Dispenser, Solar Water Heater, Air Cooler, Solar Panel, Projector with Screen Address: Kandherai, Lakhond, Madhapar, Bhuj, Tal: Bhuj-Kachchh, Gujarat.	370001	02 nd September 25 19 th November, 2025 26 th November, 2025 20 th March, 2026 31 st March, 2026	0.05	Direct		
30.	Furniture: Cupboards, Wall Mount Cupboards, Office Table, Notice board, Whiteboard Address: Kandherai, Dhaneti, Azrakhpur, Madhapar, Gada, Tal: Bhuj-Kachchh, Gujarat. Ratnal, Tal: Anjar-Kachchh, Gujarat.	370001 370110	01 st November, 2025 19 th January, 2026 24 th February, 2026 27 th February, 2026	0.20	Direct		

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(₹ 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
31.	Furniture: Chair, Office Table, Roller Blinder, Conference Table, Book Shelf, Cupboards, Desk, Almirah, Locker, Computer Table, Podium, Benches Address: Alwar, Dist: Alwar, Rajasthan Varanasi, Dist: Varanasi, Uttar Pradesh.	301023	23 rd July, 2025 12 th August, 2025 24 th March, 2026 26 th March, 2026 31 st March, 2026	0.07	Direct		
32.	Furniture: Chair, Office Table, Cupboards, Desk, Almirah, Locker, Computer Table, Podium, Benches Address: Ghamahapur, Gangapur(Town Area) Varanasi, Dist: Varanasi, Uttar Pradesh.	221302	24 th March, 2026	0.05	Direct		
33.	Library Books Address: Kandherai, Tal: Bhuj-Kachchh, Gujarat. (₹ 8,000)	370001	25 th September, 2025	0.00	Direct		
34.	Anganwadi: Boundary Wall, Toilet Blocks, Flooring Address: Mamuara, Chubdak, Kanaiyabe, Jhikdi, Chapredi, Tal: Bhuj-Kachchh, Gujarat.	370001	12 th February, 2026 27 th February, 2026 12 th March, 2026 31 st March, 2026	0.13	Direct		



(₹ 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
35.	Anganwadi: Toys Address: Modsar, Tal: Bhuj-Kachchh, Gujarat. (₹ 24,379)	370001	26 th November, 2025	0.00	Direct		
36.	Medical Equipment Address: Lakhond, Tal: Bhuj-Kachchh, Gujarat. (₹ 44,764)	370001	12 th October, 2025	0.00	Direct		
37.	Crematorium Boundary Wall Address: Mamuara, Dagala, Tal: Bhuj-Kachchh, Gujarat.	370001	03 rd October, 2025 20 th March, 2026	0.16	Direct		
38.	Music Instruments Address: Lakhond, Tal: Bhuj-Kachchh, Gujarat.	370001	31 st March, 2026	0.01	Direct		
TOTAL				37.49			

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: 8th May, 2026

(Rajiv Poddar)
Joint Managing Director

(Vijaylaxmi Poddar)
Chairperson of CSR Committee

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ANNEXURE - III

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members

Balkrishna Industries Limited

B-66, Waluj Industrial Area

Waluj, Chhatrapati Sambhajnagar 431136 Maharashtra

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **Balkrishna Industries Limited** (hereinafter called "the Company") – CIN L99999MH1961PLC012185. Secretarial Audit was conducted as per the Auditing Standards CSAS 1 to CSAS 4 ("CSAS") issued by the Institute of Company Secretaries of India and 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 31st March, 2026 (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 31st March, 2026 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 Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

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

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

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

I further report that

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

Adequate notice is given to all directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. 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. The resolutions passed by Postal Ballot were duly recorded in the Minutes.

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

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

I further report that:

- (i) The Board of Directors of the Company at their meeting held on 24th January, 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 25th March, 2025 has sanctioned the Scheme. This Order was rectified by another Order dated 19th June, 2025 correcting a clerical / typographical error. On receipt of the certified copy of the Order, the Company has filed the same with the Registrar of Companies on 31st July, 2025 and the Scheme is effective from this date, the appointed date being 1st April, 2024.
- (ii) During the year under review, the Company has issued and allotted 75,000 rated, listed, Unsecured Redeemable Non-Convertible Debentures of face value of ₹ 1,00,000 each amounting to ₹ 750 Crores on private placement on 23rd March, 2026.
- (iii) During the year under review, the Company has issued Commercial papers aggregating to ₹ 200 Crores and redeemed Commercial papers aggregating to ₹ 200 Crores in compliance with applicable provisions.
- (iv) The Company has incorporated a wholly owned subsidiary in Netherlands viz. BKT Netherlands B.V. on 28th May, 2025.

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.

Name: **G.B.B. Babuji**

Company Secretary in Whole-time Practice

Membership No.: FCS-1182 | C P No. 8131

Place: Navi Mumbai

PR No.: 1353/2021

Date: 8th May, 2026

UDIN: F001182H000291219

Directors' Report & Management Discussion and Analysis

'ANNEXURE A'

To,

The Members,

Balkrishna Industries Limited

B-66, Waluj Industrial Area

Waluj, Chhatrapati Sambhajinagar 431136 Maharashtra

My Secretarial Audit Report for the financial year ended 31st March, 2026 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.

Name: **G.B.B. Babuji**

Company Secretary in Whole-time Practice

Membership No.: FCS-1182 | C P No. 8131

PR No.: 1353/2021

UDIN: F001182H000291219

Place: Navi Mumbai

Date: 8th May, 2026



ANNEXURE - IV

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

A. CONSERVATION OF ENERGY:

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

As a responsible organisation, 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. (Introduction of Bio-mass Boiler and continue usage of Tail gases in Boiler).

Key initiatives include:

1. Increase Renewable energy by Installation of roof top solar plant @ 2000 KWp in one of the Plant of the Company.
2. Venturi and shut off valve installed in the air blowing line in the curing presses.
3. Biomass Boiler with Piped Natural Gas.
4. The system modification carried out to eliminate and stop two numbers of 37 KW pump motors of lifting of circulation water from hot well to coldwell resulting in power saving.
5. VFD installed in Auxiliary Cooling Tower pump for saving of Power. Auxiliary Cooling Tower pump was delivering higher pressure and pump was running in throttled condition to maintain the discharge pressure. Hence, we installed VFD in ACW pump's motor and now motor is running on reduced RPM. As a result, pump is running at desired discharge pressure without throttling and Power saving is also achieved.
6. One VFD installed in Carbon Plant resulted in electricity saving.
7. Permanent Magnet Motor driven air compressor installed for carbon conveying system and Vacuum generator system.
8. Package AC replaced with Air Handling Unit in Auto chemical preparation system.
9. Electric heaters replaced with Flash steam in Tyre Endurance Testing machine.

Awards & Recognition:

Won "Rajasthan Energy Conservation Award (RECA) 2023"- Certificate of 3rd Prize. (Awarded in Jan-2026).

CII National Award for Excellence in Water Management Winner – Within the Fence

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

Installation of 2000 KWp Rooftop Solar plant at Chopanki plant commissioning done.

(III) Capital Investment on Energy Conservation Equipment's:

The Company has made strategic investments up to ₹ 59.48 Crores in energy conservation equipment resulting in long-term savings and system efficiency improvements.

B. TECHNOLOGY ABSORPTION

(I) Efforts Made Towards Technology Absorption:

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

1. To enhance process Automation & mistake proofing (Poka Yoke):
 - VOICE command system (ALEXA) introduced in tyre building process for step wise operational instructions to operators to enhance awareness & to eliminate mistakes & improve product quality.
 - VOICE command system (ALEXA) introduced in tyre curing process to raise alerts for any abnormality detection in curing process. This reduced defective cured tires like Under Cure/over cure/Internal failure in the presses due to availability of immediate alerts and dependency of manual intervention reduced.
 - Introduction of material validation system in tire building process through Digital Scanning of components to eliminate the wrong material usage.
 - Biometric authentication introduced to ensure tire building machines run by approved operators only. Validation system installed at all TBMs.

Directors' Report & Management Discussion and Analysis

2. Installation of Autoclave curing machine for Hot repairing of tires at Waluj Plant. Prior to this curing press was used for this purpose and due to this productivity got affected.
3. i-RAM 2.0 feature evaluated and implemented in M13, M14, M15 & M16 mixers.
4. Earlier, On Tire Building Machine LC machine turn up bladder was used was supplied by OEM (China made), this requires maintaining separate inventory and vendor source for each bladder type. To standardise the system the turn up bladder clamping ring was redesigned and modified as per existing available local turn up bladder.
5. To ensure interchangeability of bladder across machines without compromising fitment or performance.
6. Earlier, Solid tire OD checks were either not performed or carried out manually on random sampling basis, leading to limited process control.
To address this gap, a distance sensor integrated on the weighing scale. Each tire passes through the weighing scale the sensor continuously measures the OD of the tire on real time, and the measured value is displayed on HMI and compared against the specification.
7. New RRO machine is procured which also measures Tire OD parameter.

(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: NIL
- b) Year of Import: Not Applicable
- c) Whether the technology been fully absorbed: Not Applicable
- 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: ₹ 93.21 Crores

B. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Crores)

- Foreign Exchange Outgo: ₹ 3,878.09
- Foreign Exchange Earned (FOB Basis): ₹ 6,705.74

For and on behalf of the Board of Directors

ARVIND PODDAR

Place: Mumbai
Dated: 8th May, 2026

Chairman & Managing Director
DIN: 00089984



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 2025-26, 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	499	(26%)
2	Mr. Rajiv Poddar	Joint Managing Director	428	(35%)
3	Mr. Vipul Shah	Director & Company Secretary	17	21%
4	Mr. Madhusudan Bajaj	Senior President & Director (Commercial) & CFO	69	10%

- (II)** The percentage increase in median remuneration of employees in the FY 2025-26 is 8%.
- (III)** There were 4,170 permanent employees on the rolls of the Company as on 31st March, 2026.
- (IV)** Average percentage increase already made in the salaries of employees was 1.10% other than the managerial personnel in the last financial year and its comparison with the percentage decrease in the managerial remuneration is (28%).
- (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

Place: Mumbai
Dated: 8th May, 2026

Arvind Poddar
Chairman & Managing Director
DIN: 00089984

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 2025-26. This report has been prepared in accordance with the revised Clause 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, following the master circular no. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated January 30, 2026. It outlines the Company's business performance and impacts in alignment with the nine principles of the National Guidelines on Responsible Business Conduct (NGRBC), reaffirming our commitment to responsible and sustainable business practices. The report reflects our aspiration to build a resilient and responsible corporate that contributes meaningfully to a sustainable society while delivering long-term value. In collaboration with our global customers and stakeholders, we continue to advance our sustainability objectives. This disclosure highlights the progress made and initiatives undertaken as part of our ongoing sustainability journey, underscoring our commitment to stakeholder engagement and collective value creation. Transparency remains central to our approach as we are committed to strengthening investor confidence and addressing the evolving expectations of our stakeholders. Through clear and comprehensive disclosures, we aim to align our operations with stakeholder interests, foster trust, and support sustainable growth. Bureau Veritas (India) Private Limited has issued an Independent Assurance Statement, provided reasonable assurance on the core indicators disclosed in this BRSR.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

No.	Particulars	Details
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	shares@bkt-tires.com
7.	Telephone	+91 22 66663800
8.	Website	www.bkt-tires.com
9.	Financial year for which reporting is being done	1 st April, 2025 to 31 st March, 2026
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 shares@bkt-tires.com
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" and 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. During the reporting year the Company has launched its on-road tires	90.07%

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	90.07%

III. Operations

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

S. No	Location	Number of plants	Number of offices	Total
1	National	10*	1	11
2	International	0	4	4

*Includes 5 Tire manufacturing locations, Carbon Black Plant, 2 Mould Plants, Drum Plant and Windmill.

19. Markets Served by the Entity:

a. Number of locations

S. No	Locations	Number
1	National (No. of States)	We have PAN India presence
2	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 over 65% of total turnover.

c. A brief on types of customers

Original Equipment Manufacturers (OEMs): Manufacturers of agricultural, construction, mining, earthmoving and other off-highway equipment, supported through application-specific tire solutions and technical collaboration.

Replacement Market Customers: Farmers, contractors, miners and equipment owners served through BKT's extensive global dealer and distributor network to meet off-highway replacement tire requirements.

Export Customers: International customers across Europe, the Americas, Asia-Pacific and Africa, served through exports of BKT-branded off-highway tyres customised for regional terrains and usage needs.

Carbon Black Customers: Tyre manufacturers and industrial customers supplied with high-quality carbon black for use in tyres and other rubber-based speciality and industrial applications.

Directors' Report & Management Discussion and Analysis

IV. Employees

At BKT, employees are central to long-term value creation and operational excellence. The Company focuses on fostering a safe, inclusive and enabling workplace through structured investments in occupational health and safety, continuous learning and skill development, employee wellbeing and responsible labour practices. Key initiatives include comprehensive safety management systems, regular training and upskilling programmes, digital workforce management tools, and policies supporting ethical conduct, human rights and employee welfare. These efforts are aimed at building a resilient, future-ready workforce, enhancing productivity, and ensuring employee wellbeing across all operations, while maintaining zero tolerance for unsafe or unethical practices.

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

a. Employees and workers (including differently abled):

S. No	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
		EMPLOYEES				
1	Permanent (D)	3258	3196	98.10%	62	1.90%
2	Other than Permanent (E)	61	59	96.72%	2	3.28%
3	Total employees (D + E)	3319	3255	98.07%	64	1.93%
		WORKERS				
4	Permanent (F)	912	912	100%	0	0
5	Other than Permanent (G)	8260	8213	99.43%	47	0.57%
6	Total workers (F + G)	9172	9125	99.49%	47	0.51%

b. Differently abled employees and workers:

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

21. Participation/Inclusion/Representation of women:

	Total	No. and percentage of Females	
	(A)	No. (B)	% (B / A)
Board of Directors (BoD)	10	2	20%
Key Management Personnel (KMP)*	1	0	0%

*Other than Board of Directors

22. Turnover rate for permanent employees and workers:

	FY 2025-26 (Current financial year)			FY 2024-25 (Previous financial year)			FY 2023-24 (Year prior to previous financial year)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15.82%	12.96%	15.77%	10.32%	16.28%	10.41%	13.86%	12.05%	13.83%
Permanent Workers	4.80%	NA	4.80%	5.12%	NA	5.12%	3.56%	NA	3.56%



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	Subsidiary	100%	
5	BKT Netherlands B.V.	Subsidiary	100%	

VI. CSR Details:

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

(ii) Turnover (in ₹): ₹ 10,819 Crores

(iii) Net worth (in ₹): ₹ 10,966 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, provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		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, https://www.bkt-tires.com/en-gb/contact-us/	0	0	-	0	0	--
Investors (Other than Shareholders)*	Yes, https://www.bkt-tires.com/en-gb/contact-us/	0	0	-	0	0	--
Shareholders / Investors	Yes, https://www.bkt-tires.com/en-gb/contact-us/	12	0	**	19	6	**
Employees and Workers	Yes, https://www.bkt-tires.com/en-gb/contact-us/	0	0	-	0	0	--
Customers	Yes, https://www.bkt-tires.com/en-gb/contact-us/	12,613	1,592	**	12,791	995	**
Value Chain Partners	Yes, https://www.bkt-tires.com/en-gb/contact-us/	0	0	-	0	0	--
Others (Please specify)	Yes, https://www.bkt-tires.com/en-gb/contact-us/	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.

Directors' Report & Management Discussion and Analysis

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Product Quality and Safety	Risk	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.	Water Stewardship	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 (ETP), Sewage Treatment Plant (STP), Multi-effect evaporation (MEE), and RO reject reuse. We also engage with stakeholders in water-stressed areas to collaboratively manage shared water resources using customised STP and ETP treated water, 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.
3.	Corporate Governance	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.	Emissions Management	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 a temporal-based decarbonisation roadmap. 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 emissions are expected to have positive financial and environmental implications.
5.	Energy Management	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 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.



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)
6.	Sustainable Strategy for Climate Resilience	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.	Business Ethics and Compliance	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 a 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.	Innovation and Digitalisation	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.
9.	Waste Management & Circular Economy	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 programmes through partnerships with recyclers who collect, process, and dispose off 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.	Ethical Procurement	Risk	Ethical breaches in procurement can lead to legal penalties and reputational damage.	We have established strict procurement policies that enforce 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.	Sustainable Supply Chain	Risk	The complexity and global span of tire industry supply chains expose companies to significant sustainability and disruption risks, impacting operational continuity and compliance with environmental regulations.	We 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.

Directors' Report & Management Discussion and Analysis

SECTION B. MANAGEMENT AND PROCESS DISCLOSURES

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

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available**	Principle 1 – • Ethics, Transparency & Accountability Policy • Code of Conduct for Employees • Whistle-Blower & Vigil Mechanism Policy • Anti-Bribery and Anti-Corruption Policy • Tax Strategy Policy • Preservation of Documents Policy Principle 2 – • Sustainable Development Policy • Natural Rubber Procurement Policy Principle 3 – • Human Rights and Labor Policy • Diversity and Inclusion Policy • Employee Welfare Policy • POSH Policy • HIV-AIDS workplace Policy • Equal Opportunity Policy Principle 4 – • Stakeholder Relationship Policy								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Principle 5 – Human Rights and Labor Policy Principle 6 – Environment, Health and Safety Policy Business Continuity Policy Principle 7 – Ethics, Transparency and Accountability Policy Code of Conduct for Employees Advocacy Policy Principle 8 – CSR Policy Inclusive Growth and Equitable Development Policy Principle 9 – Cyber Security and Data Privacy Policy Customer Relationship Policy ** All policies can be viewed under 'Policies' at Investor disclosures BKT Tires								
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
4. Name of the national and international codes/ certifications/ labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.	P1: Our Ethics, Transparency and Accountability Policy provides us the guidance and support we need to conduct our business ethically and comply with applicable laws. P2: Our company is now part of the Global Platform for Sustainable Natural Rubber framework, and we have a Natural Rubber Procurement Policy in place. As part of the Quality Management System, we have adopted ISO 9001:2015 and we also adhere to Kaizen principles. All our plant laboratories are NABL accredited. Further, Sustainable Development Policy is also available on our website. P3: All product manufacturing plants have been certified with ISO 45001:2018. We also have various policies in place such as Employee Welfare Policy, Diversity and Inclusion Policy and Human Rights and Labor Policy. P4: Our Stakeholder Relationship Policy creates awareness among the stakeholders about pursuing business operations in a sustainable manner. P5: Our Human Rights and Labor Policy lays forth guiding principles for upholding and protecting human rights throughout our operations. P6: All OHT and carbon black manufacturing plants are certified as ISO 14001:2015. Further, we also have Environment, Health and Safety Policy Business Continuity Policy. P7: Our Code of Conduct Policy states the importance of being ethical and responsible while dealing with regard to company's public image, finances and products. P8: Our Corporate Social Responsibility Policy is compliant with Companies Act, 2013. P9: Our Cyber Security and Data Privacy Policy serves as an overarching framework for IT security policy and standards. Further organisation has introduced BKT Ai Framework (Version 1.0) for responsible and secure use of Artificial intelligence tools as a part of the Company's digital governance framework. 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)								

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Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any Specific.	On an annual basis, the Company identifies and commits to actions aimed at reducing its GHG emissions, waste generation, and water consumption across all plants as part of its sustainability initiatives. The Company has established clearly defined targets across key material topics identified through a comprehensive stakeholder engagement and materiality assessment. These targets cover environmental (emissions, energy, water, waste, biodiversity), social (diversity and inclusion, human rights, human capital development, health and safety, product stewardship, and lifecycle assessment), and governance (ethical business conduct, risk management, and information security) dimensions. Stakeholder engagement has played a critical role in refining these targets, ensuring they are practical, forward-looking, and aligned with shared priorities. Internal goals and targets are set annually, while specific commitments are defined periodically.								
Topic	Goal		Target						
Diversity, Equity and Inclusion (P3)	- To create an inclusive and empowered workplace for supporting personal and professional growth - Increase the share of women across all organisational levels - Provision of learning opportunities and continuous improvement initiatives for employees		- Maintain zero tolerance for Discrimination and Harassment - Ensure workplace accessibility for the differently abled - Maintain Gender Pay Parity 50% increase in the number of women employees by FY 2030 (Baseline FY 2024)						
Labour management and human rights (P5)	To develop and maintain a thriving, ethically responsible workplace that prioritises fair labour practices, safeguards human rights and promotes the growth and well-being of its workforce		- Maintain 100% training coverage on Human Rights - Avoid any human rights violation at workplace - Redressal of all human rights grievances within 30 days 100% evaluation of critical suppliers on human rights regulations by FY 2030						
Human capital management (P3)	To promote the growth and well-being of the workforce		- Facilitate ESG training for all permanent employees with a target of achieving 100% participation by FY 2027 (Baseline FY 2025) - Increase average training hours per employee by 5% by the end of FY 2027 (Baseline FY 2025) - Increase average training hours per worker by 5% by the end of FY 2027 (Baseline FY 2025)						
Occupational health and safety (P3)	To cultivate a culture of safety and well-being by implementing rigorous health and safety protocols, providing comprehensive training, and continuously improving workplace environments		- Ensure 100% product manufacturing units are ISO 45001 certified - Sustain a record of zero fatality at workplace 100% training coverage on hazard identification and safety risk assessment						



Topic	Goal	Target
Responsible supply chain (P2)	To ensure ethical sourcing and procurement by implementing transparent, traceable procedures and promoting continuous improvement in environmental and social performance among our partners	- Ensure 100% raw material suppliers undertaking to BKT's Supplier Code of Conduct/Supplier manual 100% critical raw material suppliers trained on sustainable procurement by FY 2027 (Baseline FY 2025) 10% increase in recycled/reused /renewable/sustainable input raw materials purchase (on value) by FY 2030 (Baseline FY 2024) - All third-party intermediary contracts (existing and new) to include sustainability clauses by 2027 (Baseline FY 2025) 100% evaluation of critical raw material suppliers on ESG aspects by FY 2027 (Baseline FY 2024). - Comply with ISO 20400 frameworks for supply chain practices (standard for sustainable procurement) by FY 2030
Ethical Business (P1)	Build trust through transparent and ethical business practices	- Maintain 100% employee training on Code of Conduct, Anti-Bribery and Anti-Corruption - Maintain 100% of employee training on Prevention of Sexual Harassment (PoSH) - ESG training for all Board members /KMP/Senior Management
Risk management (P1)	To ensure business continuity through identifying, adapting and mitigating potential threats	- To conduct half-yearly Enterprise Risk Management Programme - Annual reviews of organisational risk policies
Information technology (P1)	Leverage Information Technology to drive innovation, efficiency, and sustainable growth	Attain ISO 27001 certification for ISMS across all operational units, aiming for completion by FY 2028
Air emissions (P6)	Continue to comply with the regulatory requirements	Maintain full adherence to statutory environmental standards
Water management (P6)	Focus on optimising water usage in production processes, and investing in advanced water recycling & conservation technologies	Install Zero Liquid Discharge at all product manufacturing units by FY 2028
Waste management (P6)	Establish a sustainable waste management system by promoting principles of circularity and implementing efficient waste segregation and disposal practices.	Achieve Zero Waste to Landfill by FY 2035
Biodiversity management (P6)	To actively protect and enhance biodiversity across operational regions, promoting ecosystem resilience and sustainability	- Maintain 33% greenbelt - Plant a minimum of 50,000 saplings by 2030
6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	The performance against specific commitments, goals, targets, and identified KPIs at the unit level is reviewed periodically by the Management. The Company has disclosed its Environmental, Social, and Governance (ESG) performance in Section C of this report. Furthermore, the Company has aligned its goals and targets with the nine NGBRC Principles to strengthen its vision and commitment, while ensuring a more integrated and holistic approach to its sustainability initiatives.	

Directors' Report & Management Discussion and Analysis

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure) -

We are pleased to present our fourth Business Responsibility and Sustainability Report (BRSR) for FY 2025-26, reaffirming our ongoing commitment to integrating environmental, social, and governance (ESG) considerations into our business strategy and operations. Sustainability remains central to our long term value creation approach, as we continue to advance responsible growth across environmental stewardship, social responsibility, and robust governance.

Our sustainability priorities focus on reducing greenhouse gas (GHG) emissions, optimising energy consumption, and strengthening water stewardship across our operations. Through the deployment of energy efficient technologies, increased use of cleaner energy sources, and the integration of climate related considerations into strategic and operational decision making, we are working to enhance resilience to climate related risks while contributing meaningfully to a low carbon and sustainable future. In parallel, we continue to strengthen sustainability practices across our value chain by engaging closely with suppliers and partners, improving transparency, and reinforcing accountability mechanisms.

The tyre industry operates within a complex ESG landscape, shaped by its dependence on carbon intensive raw materials such as rubber and petrochemical derivatives, high energy consumption, and globally dispersed supply chains. Key ESG challenges include climate transition risks arising from evolving regulatory expectations, such as deforestation linked sourcing requirements and potential carbon pricing mechanisms along with rising costs of sustainable raw materials and the need to invest in new technologies. Physical climate risks, including the impact of climate variability on natural rubber supply and logistics, also pose material considerations. Social and governance risks further emerge from supply chain transparency, labour practices, and end of life tyre waste management, given the growing focus on circularity and responsible disposal.

At the same time, the sector offers significant sustainability led opportunities. These include the development of green tyres with low rolling resistance, fuel and energy transition initiatives, circular economy models such as recycling and tyre to tyre recovery, recovery of materials such as carbon black from end of life tyres, and the expansion of green logistics supported by increasing electric vehicle adoption. Shifting consumer preferences towards sustainable products and global OEM net zero commitments further reinforce these opportunities. In the Indian context, these dynamics are amplified by raw material price volatility, evolving regulatory frameworks, rapid growth in EV adoption, and a heightened focus on renewable energy, sustainable manufacturing practices, and innovation by domestic industry participants. Overall, the industry is steadily transitioning from a cost driven paradigm to a sustainability led innovation model, where ESG performance is an increasingly important competitive differentiator.

We remain deeply conscious of our responsibility towards our community of employees, suppliers, dealers, customers, and other valued stakeholders. Protecting the environment and minimising our ecological footprint form an integral part of our global responsibility, reflected in our continued efforts to reduce emissions and develop more eco friendly tyre solutions. Digitalisation and automation are key enablers in this journey, supporting resource optimisation, operational efficiency, and reductions in environmental impact.

Above all, we value our people and their well being and remain committed to nurturing a strong, inclusive corporate culture anchored in innovation, growth, and integrity. Through this BRSR, we present our initiatives, progress, and areas of focus, and we extend our sincere appreciation to all our stakeholders for their continued trust, engagement, and support as we advance our sustainability journey.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies	The Business Responsibility and Sustainability Committee is responsible for implementation and oversight. The composition of the Committee as on 31st March, 2026 is as under: - Pannkaj Ghadiali (DIN 00003462) – Chairman - Arvind Poddar (DIN 00089984) – Member - Rajiv Poddar (DIN 00160758) – Member



9. **Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**
- Yes, the Company has constituted a dedicated Business Responsibility and Sustainability Committee (BRSC) of the Board, which includes the aforementioned members along with an Independent Director. The Committee is responsible for evaluating ESG risks, assessing the effectiveness of ESG strategies, and monitoring performance. The BRSC works in close coordination with the Risk Management Committee to address matters related to strategy, business growth, risk assessment, risk management, and compliance, thereby ensuring comprehensive oversight and alignment with organisational objectives. The Company's governance framework is further strengthened by a holistic Enterprise Risk Management (ERM) approach, supported by robust internal control systems and a strong commitment to sustainable business practices.
- The Board of Directors, supported by senior management, brings together diverse expertise across industry, finance, law, operations, ESG and strategy. This collective capability enables effective oversight of compliance and ethical standards while mitigating legal and reputational risks.
- Aligned with its sustainability ambitions, the Company is actively advancing ESG strategies focused on management, mitigation, and resilience. Oversight of these initiatives is entrusted to the BRSC and the Risk Management Committee, which work closely with the Board, including the Chairman and Managing Director, to guide strategic responses to risks and opportunities. Through this coordinated approach, the committees help shape the Company's ESG strategy, manage risks, and ensure consistent implementation across the organisation.

10. Details of Review of NGRBCs by the Company:

Subject for review	Indicate whether the review was undertaken by Director/committee of the board/ any other committee									Frequency (Annually/ half-yearly/ quarterly/ any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	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	Y	Y	Y	Y	Y	Y	Y	Y	Y
The policies in relation to sustainability are evaluated and reviewed periodically or on a need basis (at-least once in a year) by the Business Responsibility and Sustainability Committee. The Committee evaluates effectiveness of the policies, and necessary amendments to policies / procedures are done. The Company continues to comply with all applicable regulations' relevance to the principles.																		

11. **Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?**
- | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|----|----|----|----|----|----|----|----|----|
| Y | Y | Y | Y | Y | Y | Y | Y | Y |
- Yes, in addition to internal audits, external assessments such as BRSR assurance and ISO certification surveillance/renewal audits rigorously scrutinise our policies aligned with the NGRBC principles, ensuring the integrity of implementation.
- We also benchmark our policies against global standards through structured gap assessments. Based on the findings, business units implement targeted management plans and corrective actions, fostering cross-functional collaboration through continuous review, evaluation and documentation to effectively identify and address areas for improvement.
- An independent reasonable assurance has been conducted by Bureau Veritas in accordance with the AA1000 Assurance Standard.

Directors' Report & Management Discussion and Analysis

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
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 who 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 IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

We operate within an ethical and transparent framework, promoting trust and a sense of pride among employees through its stakeholder engagements. It upholds principles of honesty, fairness, and accountability, strengthening stakeholder confidence and supporting sustainable business practices that create value for both the Company and society.

Essential Indicators

1. Percentage coverage by training and awareness programmes 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	01	- Business Responsibility and Sustainability Reporting (BRSR), - The National Guidelines for Responsible Business Conduct (NGRBC) - Evolving ESG-related regulatory requirements	100%
Key Managerial Personnel *	01	- Business Responsibility and Sustainability Reporting (BRSR), - The National Guidelines for Responsible Business Conduct (NGRBC) - Evolving ESG-related regulatory requirements	100%
Employees other than BoD and KMPs	736	Leadership & Management Development: (i) Leadership & Management, Leadership Skills, Strategic Growth Leadership for Managers, Sales Leadership Workshop, (ii) Coaching Skills, Delegation Skills, Managing Hybrid Teams, Team Building, Leadership and Influence, (iii) Resilience & Leadership, Emotional Mastery, Self-Motivation & Positive Attitude, Happiness Skills, (iv) Change Management, Introduction to Change Management, Leadership and Change Management for Sustainability Success, (v) Performance Management, Accountability, Building High-Performance Teams, Ethical and Inclusive Leadership.	



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
		• Technical, Digital & Functional Capability Building: (i) Manufacturing Excellence, Operations Management, Lean Manufacturing, Lean Management, Kaizen, TPM, Quality 4.0, (ii) Industry 4.0, Digital Manufacturing & Design, Automation, PLC, DCS, Robotics, Smart Factory, (iii) Quality Management Systems – TQM, SPC, Six Sigma, IATF 16949, ISO 9001, IMS Awareness, (iv) Data Analytics, Business Intelligence, Power BI, SQL, Excel, AI for Everyone, Generative AI applications, (v) SAP, MAINTWIZ CMMS, Digitalisation and IT systems. • Safety, Compliance & Risk Management: (i) Occupational Health & Safety, ISO 45001, PPE Awareness, Behaviour-Based Safety, Machine Guarding, (ii) HIRA, Incident Investigation, Root Cause Analysis, Permit to Work, LOTO, Confined Space Entry, (iii) Emergency Preparedness, Fire Fighting, First Aid, Disaster Management, ERT Awareness, (iv) Enterprise Risk Management (ERM), MOC, Internal Audits (IMS/ISO), Cyber Fraud Awareness, (v) Regulatory Compliance Management, Environmental Legal Framework, Labour Law Awareness. • Sustainability, Environment & Responsible Business Practices: (i) Sustainability, ESG Awareness, Foundations of Sustainability and ESG, BRSR Awareness, (ii) Circular Economy, Energy Management, Renewable Energy Technology, Climate Change Awareness, (iii) Environmental Management, ISO 14001, Hazardous Waste Management, Pollution Prevention, Biodiversity Management, (iv) Responsible Supply Chain, Supplier Partnerships, Sustainable Logistics, EUDR Awareness, (v) Corporate Governance & Transparent Reporting, Sustainable Goals & Targets Setting. • Communication, Collaboration & Stakeholder Engagement: (i) Effective communication, presentation and reporting skills, (ii) Cross-functional collaboration and feedback culture, (iii) Governance communication and transparency practices. • Employee Well-being, Ethics & Workplace Culture: (i) POSH – Prevention of Sexual Harassment, Human Rights Awareness, Equality & Inclusion, (ii) Health Awareness, Mental Health & Stress Management, Work-Life Balance, Wellness Programmes, (iii) Code of Conduct, Ethics, Behaviour and Attitude, Responsible Workplace Practices, (iv) Personal Development, Individual Development Plans (IDP), Career Growth and Continuous Learning.	100%

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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
Workers	2,632	• Health, Safety & Environment (HSE) (i) Safety Practices (PPE, Machine Safety, Permit to Work, Fire Fighting), Behaviour-Based Safety, Unsafe Acts & Unsafe Conditions, Near-Miss Reporting, Hand and Finger Safety, (ii) Emergency Planning & Preparedness, Emergency Evacuation Procedures, Emergency Preparedness & Response Plan (Mock Drills), Fire Fighting Training, Use of Fire Extinguishers, First Aid Training, ERT Awareness, (iii) Electrical Safety, Electrical Hazards & Shocks, Machine Guarding, LOTO (Lockout/Tagout), Work at Height and Fall Protection, (iv) ISO 45001 and ISO 14001 Awareness, HSE Legislation Updates, Spill Control Management, Bio-Medical Waste Handling, Environmental Protection Practices. • Technical & Operational Skills (i) Machine Knowledge, My Machine My Responsibility, Product Awareness, Product Process Quality, (ii) Identification & Traceability, Non-Conforming Product Handling, Preservation and Shelf-Life, (iii) Defect Analysis including Cured Tire Defects, Component Placement Issues, Cut Section Analysis, Radial Run-out Sessions, (iv) SPC/SQC Awareness, Quality Check sheets, Customer Complaint PI & PII Awareness, (v) Safe Operation of Forklifts, Cranes and Material Handling Equipment. • Workplace Discipline, Compliance & Governance (i) Code of Conduct, Workplace Do's and Don'ts, Safety Policies, Workplace Discipline, (ii) Permit to Work System, Contractor Management, Access Control Procedures, (iii) IMS Awareness, Compliance with Internal Procedures and Audit Requirements, (iv) Ownership, Responsibility and Accountability for Safe and Compliant Operations. • Shopfloor Excellence & Lean Practices (i) 5S, Housekeeping, Toolbox Talks, My Machine My Responsibility, (ii) Process Control, Quality Awareness, Continuous Improvement on the Shopfloor, (iii) Lean Behaviours supporting productivity, efficiency, defect reduction and standard work practices. • Ethics, Human Rights & Workplace Respect (i) POSH – Prevention of Sexual Harassment, (ii) Human Rights Awareness (including for security staff), HIV Awareness, Equality and Respect at Workplace, (iii) Code of Conduct and Ethical Behaviour Expectations for Workers and Contractors. • Health, Hygiene & Well-being (i) Health Precautions, Occupational Health Awareness, Hygiene and Sanitation, (ii) Food Hygiene, Personal Health and Safety, (iii) Ambulance and Emergency Handling Awareness, Fitness for Work and Well-being practices.	100%
Value chain partners	06	• The NGBRC Principles including BRSR core parameters • ESG awareness session • Regulatory Updates	75%

*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	The Company has been formed built over a strong foundation over the year of ethical behaviour and business conduct. 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 2025-26.				
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Brief of the Case		Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil		Nil
Punishment	Nil	Nil	Nil		Nil

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

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

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

Yes, the Company's [Code of Conduct](#) incorporates its [Anti-Corruption and Anti-Bribery Policy](#) and is applicable to all employees across the Company, its subsidiaries, and associate companies. The Company is committed to upholding high ethical standards in conducting fair business operations, supported by systems designed to identify, prevent, and address bribery and corruption. It maintains a zero-tolerance approach to any form of corrupt practices.

The Company monitors and investigates potential cases of bribery or corruption through its Vigil Mechanism and Whistle-blower framework, which enables employees and stakeholders to confidentially report suspected misconduct. All complaints are escalated to the chairman of Audit committee, who oversees the preliminary review, coordinates fact-finding with relevant functional heads, and reports instances of non-compliance to the Board. This structured process ensures timely investigation, proper documentation, implementation of corrective actions, and strengthening of systemic controls.

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

	FY 2025-26*	FY 2024-25*
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

*No Directors/KMPs/employees/workers were involved in bribery/corruption both, in FY 2025-26 and FY 2024-25. Hence, no action was taken by any law enforcement agency.

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6. Details of complaints about conflict of interest:

	FY 2025-26		FY 2024-25	
	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 2025-26	FY 2024-25
Number of days of accounts payable	9.68	9.79

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 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	19.90%	11.36%
	b. Number of trading houses where purchases are made from	1,276	1,293
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	76.47%	78.50%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	77.55%	86.36%
	b. Number of dealers / distributors to whom sales are made	353	334
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	37.7%	39.35%*
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.52%	0.47%
	b. Sales (Sales to related parties / Total Sales)	3.11%	2.37%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	15.61%	Nil
	d. Investments (Investments in related parties / Total Investments made)	0.02%	0.02%

* This restatement is based on a subsequent review and re-assessment of the audited financial statements.

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
6	The Company has conducted training sessions to increase awareness on various sustainability topics, BRSR including BRSR Core, regulatory updates.	75%.



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

Yes, the Company has established a structured process to identify and manage conflicts of interest involving members of the Board. It has adopted the [Code of Conduct for the Board Members and Senior Management](#), which provides clear guidance on the disclosure and avoidance of actual or potential conflicts of interest with the Company. Directors must declare any direct or indirect interest to the Board at the earliest opportunity, abstain from related discussions, and provide an annual general disclosure of interests. Employees are required to report potential conflicts to their Reporting Authority or HR, who then review and resolve the matter transparently in the Company's best interest. The comprehensive framework of the Code promotes transparency, integrity, and accountability among Board members and senior management, thereby protecting the Company's interests and reputation.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE.

We are prioritising substantial investments in innovation and research to advance sustainable, next-generation products that address evolving customer needs. In alignment with our strategic objectives and established policies, we continue to support value chain partners, contributing to broader economic value creation while delivering quality and 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 2025-26	FY 2024-25	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	22.72%	19.20%	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. BKT has established comprehensive procedures for sustainable sourcing, integrated into its broader sustainability and responsible business framework. The Company follows a structured, step-by-step approach as outlined below:

- Policy framework: Sustainable sourcing is anchored in the Company's Sustainable Supply Chain and Ethical Procurement approach, supported by the [Supplier Code of Conduct](#) and the [Natural Rubber Procurement Policy](#).
- Responsible material sourcing: The Natural Rubber Procurement Policy governs responsible sourcing of natural rubber and mandates compliance with environmental, social and governance requirements, including legal compliance, zero deforestation, protection of community and human rights, environmental protection, occupational health and safety, and anti-corruption practices.
- Supplier onboarding and consent: As part of supplier onboarding and continued engagement, all suppliers are required to formally provide written consent to comply with BKT's sustainability expectations through the Supplier Consent and Supplier Requirement Manual, which is treated as a binding commitment.
- Scope of supplier commitments: Supplier consent requires adherence to the Supplier Code of Conduct, Natural Rubber Procurement Policy, and related ESG requirements, covering legal compliance, zero deforestation, respect for community and human rights, environmental safeguards, health and safety standards, and ethical business conduct.
- Supplier coverage: Major suppliers have provided written consent to comply with BKT's sustainable supply chain requirements.
- Supplier assessment and monitoring: BKT has instituted a structured supplier evaluation process, including quarterly vendor evaluations and rating mechanisms, assessing supplier performance across quality, environmental management, social responsibility, health and safety, regulatory compliance, and ethical business practices.

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- Audits and performance reviews: The Company conducts regular supplier audits and performance evaluations covering quality, environmental management, social responsibility, human rights, health and safety, and regulatory compliance.
- Risk identification and mitigation: These assessments enable identification of gaps, lifecycle-linked risks, and improvement areas associated with raw materials, particularly natural rubber.
- Corrective action and continuous improvement: Where gaps are identified, corrective actions are communicated to suppliers and tracked through follow-up engagements to strengthen supplier capability, resilience, and alignment with BKT's standards.
- Together, these procedures support traceability, strengthen accountability across upstream partners, and enable proactive management of environmental, social, and governance risks in the supply chain, in line with disclosures in the Company's Sustainability Report.

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

The Company assesses the majority of new suppliers during onboarding in accordance with the [BKT Supplier Manual](#), which incorporates the [Sustainable Procurement Policy](#) and [Natural Rubber Procurement Policy](#). These frameworks establish mandatory requirements for ethical and sustainable business practices, reflecting the Company's commitment to responsible and transparent operations.

The Company also promotes awareness of sustainable sourcing across its value chain, integrating social, ethical, and environmental KPIs into supplier evaluations in line with ISO 20400:2017 guidance. Key value chain partners are assessed based on business value and defined criteria within the Supplier Manual. In FY 2025-26, a majority of total raw materials (by value) were sourced from ISO 9001:2015-certified suppliers. During the reporting period feasible input raw materials were sourced sustainably and verified.

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.

Plastics (including packaging): Complying with the Extended Producer Responsibility (EPR) requirements, BKT has partnered with CPCB authorised recyclers for the collection and recycling plastic waste for which the Company is purchasing the EPR credits.

E-waste: Not applicable. The Company's products do not result in post-consumer e-waste.

Hazardous waste: Not applicable. No hazardous waste is generated at the end-of-life stage of products sold to customers.

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 the Company, and it complies with all relevant EPR rules and regulations. The Company's waste collection plan is aligned with EPR requirements and has been duly submitted to the Central Pollution Control Board (CPCB). It is also registered on the CPCB's EPR portal and ensures timely reporting of its plastic and tyre footprint, along with the procurement of corresponding EPR credits.

The Company remains committed to responsible environmental stewardship and strict regulatory compliance through its active participation in India's EPR framework. Its waste collection and management strategy is fully aligned with prevailing EPR regulations and has been formally submitted to the CPCB. The Company maintains consistent and transparent reporting of its plastic and tyre waste footprint through the CPCB's official EPR credit exchange portal.

In line with regulatory requirements, the Company has procured EPR credits and has duly submitted these credits, demonstrating continued compliance and reinforcing its commitment to sustainable waste management practices.



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
22119	Agri Radial Tyres	35%	Cradle to grave	Yes	Yes, the details have been published in the sustainability report FY 25
-	Carbon black variant	5%	Cradle to grave	Yes	Yes, the details have been published in the sustainability report FY 25

The Company has undertaken comprehensive Life Cycle Assessment (LCA) studies for two of its key products—Carbon Black variants and Agri Radial Tyres—manufactured at its Bhuj facility. These assessments were conducted using SimaPro v9.0.5 software and Eco invent datasets, in alignment with ISO 14040/44 standards, and were supported by independent external assurance.

As part of its broader sustainability strategy, the Company has initiated LCA studies to evaluate the environmental impacts of its primary product categories across all stages of the product life cycle. These assessments enable a detailed analysis of material inputs, manufacturing processes, energy consumption, emissions, and end-of-life considerations.

The LCA findings are being integrated into ongoing circularity initiatives, supporting the development of lower-carbon, resource-efficient, and more circular products. This includes efforts to increase the use of recycled and renewable materials, as well as to enhance process efficiency across operations.

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.

The assessment indicates that a substantial portion of environmental impacts arises from upstream and downstream activities that are largely beyond the Company's direct operational control, including raw material extraction, product use-phase emissions, and end-of-life processes.

Key environmental concerns include global warming potential driven by fossil-based raw materials and energy consumption, as well as impacts such as stratospheric ozone depletion, ionising radiation, ozone formation, particulate matter emissions, eutrophication, and ecotoxicity. Additionally, human health risks—such as carcinogenic and non-carcinogenic toxicity—are associated with petroleum-based feedstocks, chemical additives, and energy-related emissions. Land use impacts from natural rubber cultivation and textile production, along with resource scarcity linked to metals, minerals, and fossil inputs, have also been identified. Water consumption, particularly for steam generation and rubber processing, remains area of focus.

To mitigate these risks, the Company has implemented a range of targeted measures. These include increasing the use of renewable energy, utilising off-gases for power generation, and exploring alternative, non-fossil-based raw materials. The Company is also advancing sustainable product design through fuel-efficient, modular, recyclable, and non-toxic material choices. Efforts to enhance circularity include increasing the use of recycled materials, optimising resource utilisation, and adopting advanced simulation tools to improve design efficiency. On the water management front, the Company has undertaken initiatives such as using treated wastewater, enhancing water reuse through STP, ETP, and ZLD systems, and recovering steam condensate to reduce freshwater dependency. Furthermore, the Company is strengthening its engagement with the broader supply chain, promoting sustainable sourcing practices and collaborating with industry platforms to address upstream impacts. Overall, these actions reflect the Company's commitment to proactively managing life cycle risks while advancing resource efficiency, environmental stewardship, and sustainable value creation.

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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 2025-26	FY 2024-25
Crumb powder, recycled rubber, rubberised friction compound, Recovered Carbon Black, recovered oil, bead wire, steel cord with recycle content	1.17%	0.70%

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

	FY 2025-26			FY 2024-25		
	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	7713	NA	NA	6744	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 are committed to promoting the well-being of all employees and extending this care to those within our value chain. Beyond ensuring workplace safety, we focus on holistic well-being, prioritising the physical, mental, and emotional health of individuals

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	3196	3196	100%	3196	100%	NA	NA	0	0%	0	0%
Female	62	62	100%	62	100%	62	100%	NA	NA	0	0%
Total	3258	3258	100%	3258	100%	62	2%	0	0%	0	0%
		Other than Permanent employees									
Male	59	59	100%	59	100%	NA	NA	0	0%	0	0%
Female	2	2	100%	2	100%	2	100%	NA	NA	0	0%
Total	61	61	100%	61	100%	2	3%	0	0%	0	0%


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

Category	Total (A)	% Of workers 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	912	912	100%	912	100%	NA	NA	0	0%	0	0
Female	0	0	0%	0	0%	0	0%	NA	NA	0	0%
Total	912	912	100%	912	100%	0	0	0	0	0	0
				Other than Permanent workers							
Male	8213	8213	100%	8213	100%	NA	NA	0	0%	0	0%
Female	47	47	100%	47	100%	47	100%	NA	NA	0	0%
Total	8260	8260	100%	8260	100%	47	0.57%	0	0	0	0%

Any matter in relation to health or accidents 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 2025-26	FY 2024-25
Cost incurred on wellbeing measures as a % of total revenue of the Company	0.12%	0.11%

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

Benefits	FY 2025-26			FY2024-25		
	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	N/A	N/A	N/A	N/A	N/A	N/A

*To all eligible employees and workers

3. Accessibility of workplaces

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

Yes, all Company premises and offices are designed and equipped with facilities to ensure accessibility for differently abled individuals, in line with applicable requirements.

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.

Yes, the Company has instituted an [Equal Opportunity Policy](#) and a [Diversity and Inclusion Policy](#), underscoring its commitment to equitable practices in line with the Rights of Persons with Disabilities Act, 2016. These policies reflect the Company's dedication to fair employment, ensuring adherence to applicable regulations while upholding its core values and contributing positively to the communities in which it operates.

The Diversity, Equity, and Inclusion (DEI) framework, guided by senior leadership, promotes a zero-tolerance approach to discrimination and a strong emphasis on equal opportunity. The Company strives to ensure fair access to rewards, recognition, and benefits, fostering an inclusive and engaging workplace where employees are empowered to perform and grow. Building a culture of respect, inclusivity, and belonging remains a key priority. Additionally, the Company focuses on achieving balanced gender representation across committees and is actively working to bridge the gender gap by enhancing women's participation at all organisational levels. The increasing representation of women in managerial roles reflects its ongoing commitment to strengthening diversity and inclusion across the workforce.

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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	0%	0%	NA	NA
Total	0%	0%	NA	NA

Note: No maternity/parental leave was availed during the reporting period.

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, the Company has established grievance redressal channels for workers. Workers can raise concerns through suggestion boxes or by directly approaching the respective person in charge. In addition, a grievance redressal portal is in place to record and address concerns in a structured manner.
Other than permanent workers	Yes, non-permanent/contract workers have access to grievance redressal mechanisms, including online portal, suggestion boxes, direct escalation to responsible personnel, and a grievance redressal portal to facilitate the reporting and resolution of concerns.
Permanent employees	Yes, the Company has established a formal grievance redressal portal and mechanism through its Whistle-Blower & Vigil Mechanism Policy. The policy enables employees & other than permanent employees to raise concerns regarding unethical behaviour, misconduct, fraud, or violations of the Code of Conduct through defined reporting channels, including escalation to the Chairman of the Audit Committee. The mechanism ensures confidentiality, protection against retaliation, and structured investigation of all reported concerns. The policy is also applicable to stakeholders, defined to include directors, employees and their representative bodies, shareholders, investors, value chain partners, customers, communities, and other security holders, providing a broader framework for reporting concerns related to unethical or improper practices
Other than permanent employees	

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

	FY 2025-26			FY 2024-25		
	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)
Total Permanent Employees	3,258	0	0%	2,880	0	0%
- Male	3,196	0	0%	2,834	0	0%
- Female	62	0	0%	46	0	0%
Total Permanent Workers	912	204	22%	878	206	23%
- Male	912	204	22%	878	206	23%
- Female	0	0	0%	0	0	0%



8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	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	3,196	3,196	100%	3,196	100%	2,834	2,834	100%	2,834	100%
Female	62	62	100%	62	100%	46	46	100%	46	100%
Total	3,258	3,258	100%	3,258	100%	2,880	2,880	100%	2,880	100%
	Workers									
Male	912	912	100%	912	100%	878	878	100%	878	100%
Female	0	0	100%	0	100%	0	0	0%	0	0%
Total	912	912	100%	912	100%	878	878	100%	878	100%

Note: Only Permanent employees and Workers are accounted

9. Details of performance and career development reviews of employees and workers:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	3196	3196	100%	2,834	2,834	100%
Female	62	62	100%	46	46	100%
Total	3258	3258	100%	2,880	2,880	100%
Workers						
Male	912	912	100%	878	878	100%
Female	0	0	0%	0	0	0%
Total	912	912	100%	878	878	100%

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, the Company has implemented comprehensive occupational health and safety (OHS) management systems across all its workplaces, covering both employees and workers through well-defined processes and protocols. Regular training programmes are conducted to ensure that personnel at plant sites possess the necessary safety knowledge and competencies. The [Environment, Health and Safety \(EHS\) Policy](#) is applicable across the organisation and is reinforced by strong leadership commitment, with dedicated EHS departments established at each location. Safety committees, working in coordination with EHS teams, support management in achieving safety objectives and preventing incidents.

The OHS management system, aligned with ISO 45001:2018, is implemented across major production facilities. It includes structured communication of safety-related information to customers and extends safety priorities across the supply chain through robust vendor selection and continuous performance evaluation. Transportation safety is further strengthened through periodic driver training on safe handling and operational practices. The Company's emphasis on innovation and continuous improvement in workplace safety has been recognised through the "Safety Innovation Award 2025," reflecting its proactive risk management approach and strong safety culture.

At the Bhuj facility, safety systems have been further enhanced through increased training capacity (from approximately 1,000 to 1,200 employees per day), the introduction of an online near-miss reporting system, and the establishment of a dedicated Safety Park to drive awareness. These initiatives have earned multiple external recognitions, including a 5-Star rating and the prestigious "Sword of Honour" from the British Safety Council.

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Additionally, BKT Tires has received the GEEF Global Award (Golden in Safety), recognising the strength of its safety management systems, employee participation, and sustained efforts to maintain high workplace safety standards. This is complemented by other accolades such as the Certificate of Merit from the National Safety Council of India (Safety Awards 2025) and the Exceed Occupational Health & Safety Award ("Legend Emerging Award – Safety") for the Bhuj plant. Together, these recognitions highlight effective on-ground implementation of OHS systems and strong employee engagement in fostering a safe working environment.

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

The Company employs a comprehensive risk management approach using qualitative, quantitative, and specialised tools across its operations. Hazard Identification and Risk Assessment (HIRA) processes are used to systematically identify work-related hazards and evaluate associated risks. These are supported by specialised mechanisms such as EHS inspections, fire safety systems, third-party EHS audits, and disaster management planning to assess control effectiveness.

Routine risk assessments are conducted for standard operations, with defined controls implemented to mitigate identified risks. For non-routine activities, additional controls such as work permit systems are applied. The Company maintains a strong safety infrastructure, including regular safety and fire drills, internal and external audits, 5S audits, emergency response systems (sirens, lighting, hydrants, extinguishers, and fire tenders), and active safety committees and patrols. Preventive health measures such as annual medical check-ups and access to occupational health centres are also in place.

Continuous improvement initiatives, such as digital near-miss reporting systems and behaviour-based safety programmes (implemented at facilities such as Bhuj), further strengthen hazard identification and proactive risk management. All OHT and carbon black manufacturing plants are certified under ISO 45001:2018, reinforcing a structured and standardised approach to risk management.

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

Yes, the Company has established processes that enable workers to report work-related hazards and take appropriate action to mitigate risks. These include systems for reporting near-misses and safety observations, supported by structured mechanisms such as toolbox talks, safety awareness programmes, and oversight by Night Duty Officers (NDOs). Compliance is ensured through dedicated EHS personnel at each site, along with periodic audits and monitoring. Workers and contractors are actively involved in hazard control programmes, with roles and responsibilities clearly communicated in local languages to ensure understanding and effective participation. Safety instructions, including signages and visual communication tools, are prominently displayed across facilities. Emergency preparedness measures, including evacuation plans with clearly defined access routes and assembly points, are also in place. Recent enhancements, such as the implementation of digital near-miss reporting tools and behaviour-based safety training programmes (e.g., at the Bhuj facility), have further strengthened worker engagement and responsiveness to workplace hazards.

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

Yes, all employees and workers have access to non-occupational medical and healthcare services. This includes health counselling following periodic medical check-ups. The Company's health and first-aid centres are equipped with essential medical facilities and tie up with local multi-specialty hospitals enable access to specialised care, supported through insurance and ESIC coverage provided by the organisation.



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

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	0	0
	Workers	0	0.12
Total recordable work-related injuries	Employees	0	0
	Workers	0	3
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.

The Company continues to integrate safety across all business processes and maintains internal mechanisms to verify compliance with internal standards as well as statutory requirements. Workers are involved in safety audits and may report unsafe conditions through safety committee meetings and other established reporting channels. All safety incidents are reported, investigated, and analysed, and learnings are communicated across the organisation to drive continuous improvement.

Key measures taken to ensure a safe and healthy workplace across units include:

Training and awareness

1. Reinforcing a safe working environment through regular training and awareness programmes on technical operations, machine handling, fire prevention, and workplace safety.
2. Conducting continuous learning initiatives including training, retraining, toolbox talks, first aid training, and behaviour-based safety programmes to enhance EHS competence.
3. Organising motivational and awareness programmes supported by workplace safety display boards to strengthen safety culture.
4. Promoting safety awareness through initiatives such as Safety Parks and employee engagement programmes during ESG Week.
5. Extending safety awareness beyond shopfloor operations through road safety campaigns, driver awareness sessions, vehicle safety audits, and related engagement activities.

Mock drills

Conducting mock drills at various locations to evaluate the effectiveness of emergency response systems.

Safety systems and protocols

- Providing and maintaining critical safety systems such as fire-protection systems, personal protective equipment (PPE), occupational health surveillance mechanisms, emergency sirens and lights, fire hydrants, portable fire extinguishers, fire tenders, and Material Safety Data Sheets (MSDS) for hazardous and flammable materials.

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Occupational health centres

- Ensuring availability of well-trained medical professionals at Occupational Health Centres (OHCs) to support workplace health and emergency response.
- Conducting periodic medical check-ups for employees. Health check-ups covered 100% of employees engaged in hazardous and non-hazardous processes, including physical examination, vision testing, blood tests, X-rays, and audiometry, as part of the Company's continued focus on employee well-being.

Safety audits and governance

- Involving workers through safety committees and audit processes to identify unsafe conditions and support timely resolution.
- Conducting internal and external audits and inspections to monitor compliance, assess performance, and identify opportunities to further strengthen workplace health and safety practices.

Monitoring and reporting

Improving reporting and monitoring mechanisms, including implementation of online near-miss reporting systems, to enable faster identification and response to unsafe conditions and unsafe acts.

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

	FY2025-26			FY 2024-25		
	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	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

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 and implemented engineering control measures which were derived during incident investigation and 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 verifies that value chain partners have appropriately deducted and remitted statutory dues by reviewing supporting documents such as invoices, challans, and filings available on government portals. In addition, a third-party software solution is used to monitor compliance. Any discrepancies or gaps identified are followed up with the respective partners for validation and rectification.



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 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	NA	NA
Workers	0	0	NA	NA

NA. There have been no instances of high consequence work-related injury / ill-health / fatalities during FY 2025-26 and FY 2024-25.

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

No, the Company does not have a formal transition assistance program to support continued employability or manage career transitions following retirement or termination. However, certain highly experienced employees may be retained as advisors after superannuation. In some cases, fixed-term contracts are extended to retiring employees based on business needs. Additionally, the Company provides ongoing skill development and upskilling programmes during employment to support long-term 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. This year, 50%+ of value chain partners (by value) have been assessed on ESG through onsite and/or desktop assessment. Further, BKT has developed a comprehensive value chain assessment framework considering mandatory requirements, applicable reporting frameworks, best industry practices and BKT's sustainability commitments in alignment with BKT's supplier code of conduct.
Working conditions	

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 2025-26.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS.

We follow a multi-stakeholder approach that recognises the diverse expectations of all groups connected to our business and ensures timely, meaningful responses to their needs. Our commitment is to create long-term, sustainable value by placing our stakeholders, consumers, customers, employees, shareholders, business partners, and, above all, our planet and society, at the centre of our decisions and actions.

Essential Indicators

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

Our approach to identifying key stakeholder groups is grounded in fostering long-term, constructive relationships across the value chain. We adopt a structured methodology based on the principles of materiality, inclusiveness, and ongoing evaluation. Stakeholders are identified considering the degree to which they are impacted by our operations, as well as their ability to influence our business decisions and performance. This process is further guided by our publicly available Stakeholder Relationship Policy.

Directors' Report & Management Discussion and Analysis

During FY 2023-24, we conducted a comprehensive Stakeholder Engagement and Materiality Assessment. As part of this exercise, a 360-degree review of our business value chain was undertaken to identify key stakeholder groups and map appropriate engagement mechanisms. We engaged with these stakeholder groups to obtain their perspectives and insights, which were instrumental in identifying material issues relevant to them. While this enabled BKT to arrive at key focus areas and also plan initiatives accordingly, during FY 2025-26. The process involved structured engagement with both internal and external stakeholders to capture diverse perspectives on key impacts, risks, and opportunities, along with their significance to stakeholder decision-making.

Engagement was carried out through a range of mechanisms, including interviews, surveys, group discussions, and formal communications. The insights gathered supported the identification and validation of material ESG topics and helped shape our understanding of stakeholder expectations related to sustainability strategy and performance.

The assessment included participation from a broad set of external stakeholders such as suppliers, investors, customers, industry bodies, and NGOs/community representatives. Internal stakeholders' engagement comprised of senior management, departmental heads, and employees across the organisation.

Stakeholder identification is an ongoing process. We periodically reassess our operating context and incorporate learnings from engagement activities to identify emerging stakeholder groups as the business continues to evolve.

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, Others)	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	1. Direct interactions through regional and sales teams. 2. Trade shows 3. Communications through digital platforms. 4. Feedback sessions and product demonstrations 5. Participation in conventions and exhibitions.	Regular engagement	Engagement focuses on understanding evolving customer expectations on performance, safety, service responsiveness and sustainability. Feedback gathered helps improve product quality, enhance digital support systems, strengthen after sales service, and stay aligned with global and regional market trends.
Employees and Workers	No	1. Leadership interactions and internal communications. 2. Engagement platforms and internal dialogue forums 3. Rewards and recognition Programmes 4. Employee engagement initiatives. 5. Training development workshops and onboarding programmes. 6. Grievance redressal mechanisms. 7. Cultural events and celebrations 8. Suggestion box and feedback channels	Regular engagement	Engagement aims to strengthen workplace wellbeing, safety, career development and inclusion. Key topics include upskilling, health & safety initiatives, performance management, welfare programmes, work-life balance and transparent communication. Inputs help refine policies, improve efficiency / productivity and foster a supportive, future ready workforce.
Communities / NGO's	Yes	1. Project-level discussions 2. Community interactions with NGOs 3. Community grievance interfaces 4. Information through print media 5. Relief and support activities 6. Partnerships with local representatives. 7. Social initiatives and outreach activities.	Purpose-driven engagement	Engagement focuses on identifying community needs, supporting social development, and implementing CSR initiatives in areas such as education, health, rural development, and infrastructure. Discussions also address environmental concerns, livelihood improvement, and community resilience, ensuring programmes are aligned with local priorities.



Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government Agencies, Industry Organisations and Educational Institutions	No	- Online portals and official websites - Industry forums, conferences and seminars - Academic partnerships and campus interactions - Site visits and official meetings - Participation in events and sponsorships	Purpose-driven engagement	Engagement covers regulatory compliance, policy alignment, and contribution to industry wide initiatives. Key topics include environmental regulations, product standards, trade policies, sustainability expectations, and workforce development. Collaboration with academic institutions also supports talent development and research partnerships.
Shareholders and Investors	No	- Annual shareholder meetings, reports and sustainability disclosures - Quarterly results announcements - Media updates and investor briefings - One-to-one discussions and calls - Dedicated mail ID - Grievance redressal portal	Purpose-driven engagement	Engagement centres on transparent communication of financial performance, governance practices, strategic priorities and long-term value creation. Investors also raise queries on risk management, sustainability performance, capital allocation and future growth plans, which are addressed through structured disclosures and dialogue mechanisms.
Suppliers and Vendors	No	- Email communication, calls and plant visits - Awareness and capability-building programmes - Vendor assessments and performance discussions.	Regular engagement	Discussions focus on product quality, delivery performance, responsible sourcing, operational efficiency and compliance with the Supplier Code of Conduct. Engagement also covers expectations on environmental practices, labour standards, safety, ethical conduct and digitalisation of supply processes. A grievance portal enables suppliers to raise concerns for timely resolution.

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.

Consultation with stakeholders at Balkrishna Industries Limited is undertaken through a continuous and structured process, ensuring that stakeholder perspectives and feedback on economic, environmental and social matters is integrated into decision-making at the highest level.

The Company engages both internal and external stakeholders through a combination of surveys, direct interactions, ongoing engagement mechanisms and periodic assessments on key ESG topics. Insights from these engagements, including outcomes from the materiality assessment conducted in FY 2023-24 are consolidated by the Management team and reviewed internally to validate and prioritise material topics on an annual basis. These inputs form an integral part of the Company's sustainability framework and are aligned with its overall ESG strategy and long-term value creation objectives.

Feedback and stakeholder concerns are escalated to the Board through established governance mechanisms. These include periodic management updates, reviews by the relevant Board Committees, and structured reporting on key areas such as enterprise risks, regulatory compliance, sustainability performance and stakeholder expectations. The Board and its committees provide oversight on these matters, ensuring that stakeholder inputs are appropriately considered in strategic planning, risk management and policy formulation. Shareholders are also provided with a formal platform to engage directly with Board members during the Annual General Meeting, where they can raise queries and share expectations on financial performance, governance practices, environmental and social matters.

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In addition, stakeholder feedback captured through engagement channels and internal reviews is periodically assessed to track emerging risks, opportunities and evolving expectations, thereby strengthening the Company's responsiveness and resilience.

This continuous feedback loop supports the refinement of material topics, enhances transparency and ensures that Board-level oversight remains aligned with stakeholder priorities and the Company's sustainability commitments.

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 plays a central role in identifying and managing our environmental and social priorities.

The Company engages with the diverse set of stakeholders – including employees, workers, customers, suppliers, communities, regulators, shareholders, investors, institutions etc. through structured engagement mechanisms such as surveys, direct interactions and periodic assessments. Inputs gathered through these engagements, including the sustainability materiality assessment conducted in FY 2023-24, are systematically analysed to identify, prioritise and validate key environmental and social topics relevant to the business and its stakeholders.

The materiality assessment process incorporates stakeholder perspectives to evaluate the significance of ESG topics from both business and stakeholder viewpoints, forming the basis for the Company's sustainability focus areas.

Stakeholder feedback has informed key decisions such as strengthening workplace health and safety initiatives, enhancing responsible sourcing requirements for suppliers, expanding employee learning programmes, and improving community development Initiatives in areas such as education, healthcare and rural development. The Board and senior management are periodically apprised of material stakeholder concerns, emerging ESG risks and the actions undertaken to address them through structured governance and reporting mechanisms.

Inputs from stakeholders have also contributed to shaping the Company's environmental initiatives, including efforts towards energy efficiency, emissions management and waste reduction, in line with its broader sustainability objectives.

In addition, stakeholder perspectives are considered during periodic internal reviews to assess the effectiveness of existing policies and identify opportunities for continuous improvement.

This integrated approach ensures that stakeholder consultation is not only used for identification of material issues but also for their ongoing management, monitoring and incorporation into business strategy and operational practices.

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 actively engage with community including vulnerable and marginalised groups through dedicated CSR and community development programmes. These engagements focus on understanding local needs and addressing gaps in healthcare, education, livelihood opportunities and rural infrastructure. Inputs from these interactions guide the design and delivery of targeted interventions.

Key actions include:

- Healthcare access: organising medical camps, preventive health screenings, and support for critical care equipment and services for underserved communities.
- Education support: improving learning environments through school infrastructure upgrades, digital learning tools, mid-day meal and teacher-support initiatives.
- Rural and community development: supporting water, sanitation and hygiene (WASH) initiatives, ground water recharge structures, upgrading community facilities, and contributing to local infrastructure that benefits vulnerable households.

These initiatives help strengthen inclusion, improve well-being and enhance long-term resilience among the communities most in need.

For more details, please refer to 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 to 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 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	3258	3258	100%	2,880	2,880	100%
Other than permanent	61	61	100%	87	87	100%
Total employees	3319	3319	100%	2,967	2,967	100%
Workers						
Permanent	912	912	100%	878	878	100%
Other than permanent	8260	8260	100%	8,283	8,283	100%
Total workers	9172	9172	100%	9,161	9,161	100%

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

Category	FY 2025-26					FY 2024-25				
	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	3,196	0	0%	3,196	100%	2,834	0	0%	2,834	100%
Female	62	0	0%	62	100%	46	0	0%	46	100%
Other than Permanent										
Male	59	0	0%	59	100%	85	0	0%	85	100%
Female	2	0	0%	2	100%	2	0	0%	2	100%
Workers										
Permanent										
Male	912	0	0%	912	100%	878	0	0%	878	100%
Female	0	0	0%	0	100%	0	0	0%	0	100%
Other than permanent										
Male	8,213	0	0%	8,213	100%	8,248	0	0%	8,248	100%
Female	47	0	0%	47	100%	35	0	0%	35	100%

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

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (INR)	Number	Median remuneration/ salary/ wages of respective category (INR)
Board of Directors (BoD)	08	15,25,000	02	12,25,000
Key Managerial Personnel	01	4,84,48,611	00	-
Employees other than BoD and KMP	3192	8,23,842	62	16,39,332
Workers	912	3,81,000	0	0

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

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	1.88%	1.31%

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 appointed a designated focal point to oversee and address human rights-related matters within the organisation. The Human Resources Heads, working closely with the respective Plant Heads and the Head Office, are responsible for managing any human rights issues or risks arising from or influenced by our business operations. Together, they ensure timely and appropriate responses to concerns or complaints raised by both internal and external stakeholders. Our [Human Rights and Labour Policy](#) is designed to build awareness of human rights across the Company and to strengthen our capability to identify, prevent, and effectively manage human rights-related issues.

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

The Human Rights Policy details the Company's grievance redressal mechanism and is publicly available on the Company's website under the section "[Human Rights and Labour Policy](#)." The policy applies across the value chain. Employees and workers are encouraged to raise grievances with their respective line managers, with the reporting manager or the Site Human Resources Head serving as the primary point of contact for any concerns.

To enable anonymous reporting, the Company has established a dedicated web-based portal accessible to all stakeholders, allowing grievances to be submitted confidentially. The procedure for raising grievances is clearly outlined in the Policy available on the Company's website.

All grievances received are duly examined, and appropriate corrective measures are undertaken to address and resolve the concerns. Where required, disciplinary action is initiated, and support from relevant regulatory authorities is sought to ensure effective and appropriate resolution.

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

	FY 2025-26			FY 2024-25		
	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 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/ workers	0%	0%
Complaints on POSH upheld	0	0

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

We are committed to protecting the rights of all employees and workers by fostering a workplace free from physical, verbal, or psychological abuse. The organisation follows a strict zero-tolerance approach towards harassment or discrimination on the basis of race, colour, religion, sex, sexual orientation, gender identity or expression, pregnancy, age, nationality, disability, or any other conduct that may create an intimidating, hostile, or offensive work environment, including unwelcome or unsolicited sexual behaviour.

To prevent and address sexual harassment at the workplace, the Company has implemented a comprehensive policy supported by clearly defined complaint-handling mechanisms. A dedicated committee has been constituted to ensure effective implementation of the policy. The Company safeguards complainants against any form of retaliation and ensures confidentiality and anonymity throughout the grievance redressal process.

In addition, the Company has established and enforces policies such as the [Whistle-blower Policy](#), [Prevention of Sexual Harassment \(POSH\) Policy](#), and [Diversity & Inclusion Policy](#) to effectively address and mitigate instances of discrimination and harassment. These policies reinforce our commitment to providing an inclusive workplace that ensures equal opportunity for all, free from discrimination. Employees and workers are encouraged to report any discriminatory conduct, with strict confidentiality maintained in relation to all such matters.

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.

BKT integrates respect for human rights into its business operations and engagement with value chain partners. Human rights commitments are embedded within contractual arrangements and operational processes to ensure responsible business conduct across the value chain. The following mechanisms are implemented to promote and uphold human rights:

Partner onboarding and selection: As part of the onboarding and selection process, compliance with applicable labour laws and statutory requirements, including provisions relating to the prohibition of child labour, forced labour, and compulsory labour remain one of the key considerations.

Code of Conduct compliance: All partners are required to adhere to the Company's Code of Conduct, which outlines expectations including human rights, ethical behaviour, and responsible labour practices. Adherence to the Code is formalised through contractual agreements and acknowledged by partners at the time of engagement.

Human rights due diligence: Beyond contractual terms and undertaking, BKT undertakes audits for its key suppliers which also includes aspects of human rights due diligence as well through desktop assessments and, where applicable, on-site evaluations conducted alongside the Company's standard risk assessment processes. These assessments support the identification, assessment, and management of potential and actual human rights risks within the supply chain.

10. Assessments of the year:

	% 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	-

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Note: The assessments were conducted by an independent third party for the Bhuj facility during reporting year. For the remaining sites, internal assessments were undertaken, with reliance placed on the findings and recommendations from the independent third-party assessment conducted in the previous year.

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

Nil

Leadership Indicators

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

The Company has maintained a robust human rights due diligence framework to continuously assess and strengthen its ability to identify, prevent, and address potential adverse human rights impacts. During the reporting period, no material human rights-related grievances or complaints were reported, and accordingly, no changes or additions to business processes were required.

2. Details of the scope and coverage of 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, our Company endeavours to ensure that its premises and offices are accessible to all individuals, including persons with disabilities, in line with applicable regulatory requirements.

We are committed to fostering an inclusive and equitable workplace, and accessibility forms an integral part of its broader approach to employee well-being, diversity and inclusion. As part of its focus on creating a safe and enabling work environment, our Company has implemented workplace practices and infrastructure considerations that support ease of access, mobility areas and safety for employees and visitors, including those with differing abilities.

This approach is aligned with our Company's emphasis on employee welfare, health and safety, and equal opportunity, as highlighted in its sustainability and human capital initiatives. Our Company continues to strengthen its policies and practices to ensure that individuals are able to access its facilities with dignity and independence. Accessibility considerations are also supported through ongoing workplace improvements, employee engagement and adherence to applicable statutory guidelines, reinforcing our Company's commitment to inclusive growth.

4. Details on assessment of value chain partners:

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 against our governance mechanism and international frameworks, which we follow. This ongoing process assures that our partners adhere to applicable laws, regulations, and industry standards. Moreover, we have developed a new value chain assessment program, which encompasses social aspects as part of our supplier code of conduct. The code has been aligned with global frameworks such as the United Nations Global Compact, industry best practices and BKT's social commitments.



	% Value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	
Discrimination at workplace	
Child labour	This ongoing process guarantees that our partners adhere to applicable laws, regulations, and industry standards. This year, around +50% of value chain partners (by value) have been assessed on ESG including social aspects through onsite and/or desktop assessment.
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 assessment 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.

BKT recognises that responsible environmental stewardship is central to long-term business resilience and sustainable value creation. We are committed to respecting, protecting, and restoring the environment by integrating sustainable practices across our operations and value chain. Through resource-efficient processes, innovation, and continuous improvement, we work to minimise our ecological footprint while contributing to the conservation of natural ecosystems. By placing environmental responsibility at the core of our decisions, we aim to support a healthier, more sustainable planet for present 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 2025-26	FY 2024-25
From Renewable Sources			
Total electricity consumption (A)	GJ	42,686	35,280
Total fuel consumption (B)	GJ	32,259 [#]	897
Energy consumption through other sources (C)	GJ	-	-
Total energy consumed from renewable sources (A+B+C)	GJ	74,945	36,177
From Non-Renewable Sources			
Total electricity consumption (D)	GJ	4,13,173	4,14,389
Total fuel consumption (E)	GJ	71,24,237	66,80,665
Energy consumption through other sources (F)	GJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	GJ	75,37,410	70,95,054
Total energy consumed (A+B+C+D+E+F)	GJ	76,12,356	71,31,231
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)*	GJ/Lakh INR	6.89	6.85
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) ^{#, *}	GJ/Lakh INR	140.15	137.52
Energy intensity in terms of physical output*	GJ/Mt of production	14.67	14.85

^{#,*}The revenue from operations has been adjusted to Purchasing Power Parity (PPP) based on the PPP conversion rates published by [International Monetary Fund \(IMF\)](#) which is 20.34 for current year and 20.08 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.

*Intensity calculations exclude data related to ongoing expansion and capacity-augmentation projects.

[#]Augmentation of renewable fuel in place of PNG.

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, aligned with the AA1000 assurance standard (version 3).

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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 operate any sites or facilities that fall under the Government of India's Performance, Achieve and Trade (PAT) Scheme as Designated Consumers (DCs). Therefore, this indicator is not applicable to BKT.

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

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) To Surface water	-	-
(ii) Groundwater	2,23,513	1,68,633
(iii) Third party water (Municipal water supplies)	19,22,116	19,09,277
(iv) Seawater / desalinated water	-	-
Others (Rainwater)	24,788	9,371
Total volume of water withdrawal (in kilolitres) (i + ii + -iii + iv + v)	21,70,418	20,87,281
Total volume of water consumption (in kilolitres)	21,67,070	20,84,842
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (kilolitres/Lakh INR)*	1.99	2.00
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (kilolitres / Lakh INR) ^{#, *}	40.40	40.20
Water intensity in terms of physical output (kilolitres/Mt of production)*	4.23	4.34

^{#,*}The revenue from operations has been adjusted to Purchasing Power Parity (PPP) based on the PPP conversion rates published by [International Monetary Fund \(IMF\)](#) which is 20.34 for current year and 20.08 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.

*Intensity calculations exclude data related to ongoing expansion and capacity-augmentation projects.

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 aligned with the AA1000 Assurance Standard (version 3).

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
To Seawater		



Parameter	FY 2025-26	FY 2024-25
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Sent to third parties		
- No treatment	3,347	2,439
- With treatment – please specify level of treatment	-	--
Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	3,347	2,439

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 aligned with the AA1000 Assurance Standard (version 3).

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

We have implemented Zero Liquid Discharge (ZLD) systems at our major manufacturing facilities in Bhuj and Waluj, while ZLD installation is currently underway at the Bhiwadi and Chopanki plants. All product manufacturing site ensure that no liquid effluents are discharged into the environment. Our ZLD framework combines advanced treatment technologies—ETP, RO, UF, and Multi-Effect Evaporator (MEE) systems—to achieve complete recycling of treated wastewater. Treated water is again utilised into operations.

Further, 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.

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

Parameter	Please specify unit	*FY 2025-26	FY 2024-25
Nox	Tonnes, mg/Nm ³	21.46	131.32
Sox	Tonnes, mg/Nm ³	48.93	61.14
Particulate Matter (PM)	Tonnes, mg/Nm ³	18.71	23.40
Carbon monoxide (CO)	Tonnes	10.43	NA
Volatile organic Compounds (VOC)	Tonnes	0.06	NA

*Reporting unit of Air emissions for FY 2025-26 is migrated to Tonnes from mg/NM3, which is used for FY 2024-25.

NA: Not monitored during previous reporting period.

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 aligned with the AA1000 Assurance Standard (version 3).

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)**	MtCO ₂ e	7,27,419	6,75,773
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MtCO ₂ e	81,487	83,684
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)*	MtCO ₂ e/Lakh INR	0.73	0.73
Total Scope 1 and Scope 2 emission intensity adjusted for Purchasing Power Parity (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) ^{#, *}	MtCO ₂ e/Lakh INR	14.90	14.65
Total Scope 1 and Scope 2 emission intensity in terms of physical output*	MtCO ₂ e/Mt of production	1.56	1.58

^{#,*}The revenue from operations has been adjusted to Purchasing Power Parity (PPP) based on the PPP conversion rates published by [International Monetary Fund \(IMF\)](#) which is 20.34 for current year and 20.08 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.

*Intensity calculations exclude data related to ongoing expansion and capacity-augmentation projects.

Note: Our calculation methodology of Greenhouse gas (GHG) inventory includes Carbon Dioxide (CO₂), Methane (CH₄), and Nitrous Oxide (N₂O), aligned with globally recognised protocol, whereas, certain biogenic emissions and fugitive emissions from Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP) are identified as immaterial and excluded.

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 aligned with the AA1000 Assurance Standard (version 3).

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

Yes, the Company has undertaken multiple initiatives across its manufacturing locations to reduce Greenhouse Gas (GHG) emissions. These projects focus on enhancing energy efficiency, increasing renewable energy usage, optimising fuel consumption, and adopting low-emission technologies. Key highlights include:

- **Renewable Energy and Low-Carbon Fuel Transition:** Biomass boiler conversion at Bhiwadi, replacing PNG gas usage with biomass, with negligible emissions, contributing to corporate sustainability goals.
- **Automation of curing press hydraulic systems:** At the Waluj manufacturing plant, PLC-based automation was implemented on curing press hydraulic power packs. Hydraulic pumps that earlier operated continuously were modified to run only during active press operations, eliminating idle energy consumption. Reduced electricity demand lowers Scope 2 GHG emissions associated with grid electricity usage.
- **VFD installations, TCU optimisation, motor upgrades, and cooling tower optimisation:** Across the Waluj and Bhuj plants, multiple energy efficiency measures were implemented, including the installation of Variable Frequency Drives (VFDs) on motors and cooling tower fans, Thermal Control Unit (TCU) optimisation, replacement of inefficient and repeatedly rewound motors with higher-efficiency motors, and optimisation of cooling tower operations. These measures ensure equipment operates in line with actual process demand, avoiding excess electricity consumption.
- **Waste Heat and Steam Recovery:** Flash Steam recovery at Chopanki, were installed to recover flash steam and pre-heat boiler feed water further reducing the fossil fuel demand in the boilers resulting in the reduction of scope 1 emissions.
- **Adoption of high-efficiency technologies:** At the Bhuj and Chopanki plants, conventional induction motor-based systems were replaced with high-efficiency technologies, including EC fans, FRP fan blades, and Permanent Magnet Motors (PMM) in compressors, directly contributing to improved energy efficiency, especially under partial load conditions, and reduce electrical losses.



- **Electrification of Material Handling Equipment:** At the Chopanki warehouse and plant operations, diesel-powered forklifts were largely replaced with electric forklifts eliminating ~90% on-site diesel combustion, directly reducing Scope 1 GHG emissions.

Collectively, these initiatives demonstrate the Company's strong commitment toward GHG reduction through renewable energy adoption, operational efficiency, technological upgrades, and fossil fuel substitution.

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

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1,595.15	2,030.32
E-waste (B)	19.98	14.54
Bio-medical waste (C)	0.10	0.06
Construction and demolition waste (D)	0.00	0.00
Battery Waste (E)	20.84	42.15
Radioactive waste (F)	0.00	0.00
Other Hazardous waste, please specify, if any. (G)	3,372.49	1,013.63
Other non-hazardous waste generated. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)		
Other Non-Hazardous Wastes (H)	16,218.07	17,393.41
Total (A+B + C + D + E + F + G + H)	21,226.63	20,494.12
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (Mt/Lakh INR)*	0.02	0.02
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (Mt/Lakh INR) ^{#, *}	0.40	0.40
Waste intensity in terms of physical output (Mt of total waste generated/ Mt of production)*	0.04	0.04

^{#,*}The revenue from operations has been adjusted to Purchasing Power Parity (PPP) based on the PPP conversion rates published by [International Monetary Fund \(IMF\)](#) which is 20.34 for current year and 20.08 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.

*Intensity calculations exclude data related to ongoing expansion and capacity-augmentation projects.

	FY 2025-26	FY 2024-25
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	15,800.82	12,266.38
(ii) Re-used	4,303.22	7,853.30
(iii) Other recovery operations	0.00	0.00
Total	20,104.04	20,119.68
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
Incineration	33.43	21.24
Landfilling	1,089.16	353.21
Other disposal operations	0.00	0.00
Total	1,122.59	374.45

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 aligned with the AA1000 Assurance Standard (version 3).

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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.

The Company follows a structured waste management approach aligned with circular economy principles, focusing on waste minimisation, recycling, and regulatory compliance. Waste is managed responsibly across inputs, operations, and outputs through source-level planning, process optimisation, and continuous monitoring to reduce environmental impact and enhance resource efficiency.

All waste streams—including hazardous, non-hazardous, e-waste, and battery waste—are managed in strict accordance with applicable regulations. A comprehensive Hazardous Waste Handling Procedure ensures safe segregation, storage, handling, and disposal through authorised recyclers and disposal agencies. Dedicated storage areas and segregated bins are maintained for process and non-process scrap across facilities.

To reduce the use of hazardous and toxic chemicals, the Company continuously evaluates products and processes to identify safer alternatives, optimise material usage, and adopt cleaner technologies. Packaging reduction, reuse of materials, and logistical optimisation further minimise waste generation.

Key initiatives include reduced polythene usage through reuse practices, improved bladder life, reduction of fabric and steel wire scrap, and reuse of salvaged steel from discarded equipment. Through these measures, the Company aims to minimise waste disposal, ensure environmental safety, and strengthen sustainable operations.

Further to keep control on input side, we place strong emphasis on responsible sourcing and the use of raw materials that meet applicable regulatory and quality standards, including alignment with internationally recognised frameworks such as REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals), where applicable. We undertake appropriate checks on input materials to ensure compliance with regulatory requirements and to reduce the presence of substances of concern in our products.

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.
Nil [#]			

[#]We do not have any operational sites that fall under the ecologically 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, Tyre plant, power plant, with mould / drum/ Tire Plant Accessories	EC ID No. EC25A2301GJ5667388N	17 th July, 2025	Yes	Yes	https://parivesh.nic.in

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:

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:

2. (i) **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).

(ii) **Nature of operations:** Tire Manufacturing

(iii) **Water withdrawal, consumption, and discharge in the following format:**

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	2,23,513	1,68,633
(iii) Third party water	17,82,572	17,42,424
(iv) Seawater / desalinated water	-	-
(v) Others – Rainwater	21,187	7,545
Total volume of water withdrawal (in kilolitres)	20,27,272	19,18,602
Total volume of water consumption (in kilolitres)	20,27,272	19,18,602
Water intensity per rupee of turnover (Water consumed / turnover) (kilolitres / Lakh INR)	1.86	1.84
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

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 aligned with the AA1000 Assurance Standard (version 3).

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MtCO ₂ e	The Company is in the process of quantifying Scope 3 emissions for FY 2025-26.	45,37,502
Total Scope 3 emissions per rupee of turnover	MtCO ₂ e/Lakh INR		90.03
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	MtCO ₂ e/Mt of production		9.45

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 the Company's manufacturing facilities or office locations are situated within or near ecologically sensitive areas requiring environmental approvals or clearances; accordingly, this is not applicable.

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	Reduced freshwater intake and enhanced water reuse	Large Scale Rooftop Rainwater Harvesting, Condensate Recovery & Boiler Optimisation, Reuse of Dry Cooler Return Water, RO Skid for Curing Water Reuse, Vacuum Pump Sealing Water Recovery, Optimisation of Water Use in ERS Chemical Preparation, Raw Water Use in MEE Surface Condenser, RO / DM Sample Water Reuse	Water Conservation
2	Reduced energy consumption through heat recovery and system optimisation	Cooling Tower Evaporation Reduction Using Plate Heat Exchanger, Air Cooled Heat Exchanger for Hydraulic Power Pack, Tire Curing Flash Steam Recovery & Reuse, Flash Steam Recovery for Boiler Feed Water Preheating	Energy Conservation
3	Reduced electricity consumption and improved operational efficiency	PLC Based Thermal Control Unit (TCU) Runtime Optimisation, Lightweight FRP Cooling Tower Fan Blades, EC Fans for Fumes & Dust Extraction, Energy Efficient Air Compressor Upgrade, Flash Steam Utilisation in Solid Tire Plant, VFD Based Energy Efficiency Projects, Motor Right Sizing & Efficiency Improvement, Anti Tack Dip Tank Air Purging Optimisation	Electrical Energy Saving
4	Increased renewable energy share	Rooftop Solar Power Plant	Reduced grid dependency
5	Reduction in greenhouse gas emissions	Conversion of Gas Boiler to Biomass Boiler, Rooftop Solar Power Plant, Electrification of Material Handling Equipment	GHG Emission Reduction
6	Reduced fossil fuel consumption and improved fuel efficiency	Boiler RO Water Pre Heating Using Flash Steam, Conversion of Gas Boiler to Biomass Boiler	Fuel Saving / Substitution
7	Reduced waste generation and improved material circularity	Carbon Jumbo Bag Reuse Programme, Packaging Material Optimisation for Auto Chemicals	Waste Reduction / Circularity



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

Yes. The Company has implemented a structured Business Continuity framework, which includes:

- A Board-approved [Business Continuity Policy](#) supported by unit-level disaster management plans.
- Integration with the Enterprise Risk Management system and maintenance of a corporate risk register.
- Periodic Business Impact Assessments to identify and mitigate operational, climate, supply chain, cyber, and health-related risks.
- Alignment of site-level plans with National Disaster Management Authority guidelines and conduct of regular mock drills.
- Defined internal communication protocols for stakeholder coordination during disruptions.
- Supplier engagement to strengthen supply chain resilience and backup arrangements.
- Ongoing cybersecurity risk assessments and IT audits to safeguard systems and data.

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 environmental impacts from the Company's value chain came to our notice during the reporting period. The Company conducts periodic assessments of its value chain partners based on ESG and quality parameters and supports them in improving their sustainability performance. Additionally, partners are encouraged to adopt ISO 14001:2015 Environmental Management Systems (EMS) to strengthen their environmental management practices.

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

The Company conducts periodic assessments of its value chain partners as part of its supplier engagement programmes, focusing on high-value raw material and packaging suppliers. During the reporting period, around 50% of value chain partners (by value of business) were assessed through questionnaires, self-declaration and physical audits. These assessments are aligned with the Company's sustainable procurement practices, including our [Supplier Code of Conduct](#) and [Natural Rubber Procurement Policy](#), which integrate environmental considerations into supplier selection and monitoring processes.

In alignment with SEBI's BRSR guidelines and BRSR Core requirements under Principle 9, the Company engaged with and trained 75% of its identified value chain partners on BRSR Value Chain disclosure requirements, in line with the BRSR Core Principles. Subsequently, a structured questionnaire was deployed through the ESG digital platform to enable systematic data collection from value chain partners. The details of the data collated, and the corresponding analysis have been disclosed in the Annexure to the BRSR. While value chain reporting under BRSR Core is voluntary for the current reporting year, BKT is committed to transparently disclosing the findings and further strengthening the scope, quality, and coverage of value chain disclosures in subsequent years.

8. How many Green Credits have been generated or procured?

By the listed entity: Nil

By the top 10 (in terms of value of purchases and sales respectively) value chain partners: Nil

BKT intends to leverage on the Green Credit platform, once further details are available. BKT will explore feasibility to align this program to further strengthen its decarbonisation roadmap and climate action.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT.

We are dedicated to strengthening our capacity to engage a broad and diverse audience within the tire market. Our efforts focus on policy advocacy, awareness-building, employee engagement, and securing support from key stakeholders. Guided by strong ethical principles, we prioritise gender equality and inclusivity, while leveraging technology and research to advance sustainability and address environmental challenges effectively.

Directors' Report & Management Discussion and Analysis

Essential Indicators

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

We actively engage with multiple trade and industry chambers to build strong relationships and address shared challenges affecting businesses and communities. We are currently members of 13 leading organisations, enabling knowledge exchange and driving positive change within our sectors. These associations create valuable opportunities for us to support industry progress and development. Our participation reflects our commitment to advancing sustainable practices and delivering meaningful benefits to the communities we operate in.

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
8.	Bhiwadi Manufacturers Association (BMA)	National
9.	Chambers of Marathwada Industries and Agriculture (CMIA)	National
6.	The European Tire and Rim Technical Organisation (ETRTO)	International
7.	The Tire and Rim Association (T and RA)	International
10.	Global Platform for Sustainable Natural Rubber	International
11.	Smithers Laboratories USA	International
12.	Tire and Rubber Association of Canada (TRAC)	International
13.	The Tire Society	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 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, of applicable
	BKT engages in public policy dialogue through industry associations and trade bodies to support responsible manufacturing, sustainable natural rubber sourcing, renewable energy adoption, circular economy practices and road safety. The Company's advocacy is primarily undertaken through formal consultations, position submissions and participation in industry forums. These engagements are aligned with BKT's sustainability strategy and regulatory compliance objectives and are periodically reviewed by senior management and the Board, as applicable.				



PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT.

Globalisation and technological progress have accelerated growth, but the benefits remain uneven. At BKT, we aim to close this gap by ensuring our progress uplifts communities and supports equitable development. We demonstrate this commitment through large-scale training initiatives of employee and worker development, community and environmental programmes, including tree plantation across manufacturing plants.

Through circular manufacturing, increased use of renewable and recycled materials, and alignment with global sustainability frameworks, we embed inclusive growth into core business decisions. This ensures our economic advancement contributes directly to shared prosperity and long-term community resilience.

Essential Indicators

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

S. No.	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 reporting period						

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

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

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

We have a structured [Grievance Redressal Mechanism](#) in place to support all stakeholders, including local community members. Our ongoing engagement with residents reflects our commitment to their well-being and to addressing issues that may arise. Any concerns identified during these interactions are promptly reviewed and resolved through appropriate actions. Community members are encouraged to approach the plant administration for any further communication or assistance.

Moreover, any CSR initiative at BKT, the team always connects with the stakeholders from the village local community and has formal and informal consultations, to understand the existing scenario and arrive at the community needs. This helps curate programmes that are most impactful and support the community in the right manner.

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

	FY 2025-2026	FY 2024-2025
Directly sourced from MSMEs/ small producers by BKT Tires	14%	9%
Sourced directly from within the district and neighbouring districts by BKT Tires	61%	59%

Directors' Report & Management Discussion and Analysis

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	BKT Tires	
	FY 2025-2026	FY 2024-2025
Rural Semi	13.28	13.57
Semi-urban	12.10	12.23
Urban	48.04	45.77
Metropolitan	26.56	28.43

(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 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. a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)**

No, we do not have a preferential policy, as we support suppliers across. We do work with SMEs. MSMEs and local suppliers to the extent feasible and their availability.

- (b) **From which marginalised /vulnerable groups do you procure?**

Not applicable

- (c) **What percentage of total procurement (by value) does it constitute?**

Not applicable

4. **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 sharing (Yes/No)	Basis of calculating benefit sharing
Not Applicable				

5. **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 case	Corrective action taken
Not Applicable		



6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalised groups*
1.	KEM Hospital, Mumbai: The project supports the establishment of a new Sports Injury and Rehabilitation Centre within KEM Hospital by contributing towards the procurement of essential medical equipment and undertaking required interior and civil works. This includes the development of operation theatres, ward rooms, physiotherapy lab, rehabilitation unit, and a sports science lab. The initiative aims to create a state-of-the-art Sports Injury Rehabilitation Centre (SIRC) equipped with modern facilities to provide free rehabilitation services to sports persons and athletes from all sections of society on all hospital working days.	1,500	100%
2.	The Akshaya Patra Foundation, Bengaluru: Through this partnership, mid-day meals are being provided to approx. 25,000 school children across multiple schools in Bhuj, Gujarat. The initiative supports improved nutrition, school attendance, and overall well-being of children by ensuring access to wholesome meals during the school day.	23,372	100%
3.	Shri Ram Rikh Das Poddar Balika Vidya Mandir Samiti, Fatehpur: The project supports the provision of quality, holistic, and inclusive education at Shri Ram Rikh Das Poddar Balika Vidya Mandir. Through this contribution, educational services are being provided to approximately 400 students ranging from Nursery to Grade 12, helping strengthen academic development and overall growth of students across different age groups.	400	100%
4.	Parkinson's Disease and Movement Disorder Society: The project provides corpus fund support to strengthen multidisciplinary rehabilitation services for Persons with Parkinson's (PwPs) and their caregivers. This initiative focuses on extending comprehensive care including therapy, counselling, and medical support to economically weaker patients, thereby improving quality of life and long-term disease management.	95	100%
5.	Bhuj Gujarat (Various Projects): Various projects in the area towards education, health and infrastructure support for the benefits of Bhuj and nearby villages.	1,76,878	100%
6.	Kanya Ashram, Madhi, Surat: Kanya Ashram continues to promote women empowerment by providing vocational training in sewing, beauty parlour skills, small-scale business development, along with social activities, dance, and health awareness programmes. However, the existing building is very old and faces severe water seepage during the monsoon. To safeguard the infrastructure and ensure continuity of activities, the project supported the construction of a corrugated steel sheet roof over the building.	350	NA
7.	Have A Heart Foundation, Mumbai: The project supports underprivileged children up to 18 years of age by sponsoring life-saving surgeries and comprehensive post-operative care for vascular and congenital heart conditions. This includes procedures such as coil closures, ballooning or stenting, intra-cardiac repairs, Ventricular Septal Defect (VSD) closures, and Bidirectional Glenn (BDG) shunt surgeries, enabling timely medical intervention and improved health outcomes for affected children.	15	100%
8.	Kushtarog Niwaran Samiti, Panvel: The project supports the construction of a well-equipped science laboratory at Kewale High School, Kewale Village, Raigad, Maharashtra. This initiative aims to enhance the quality of science education for 206 students from Std. 5 th to 10 th by providing improved learning infrastructure and practical exposure to scientific concepts.	206	100%
9.	KEM Hospital, Mumbai: The project supports the enhancement of robotic surgery capabilities at KEM Hospital through the provision of critical accessories and surgical tools for the robotic system. This includes Chuck Sleeves and Quick Lock Chucks, 6.2 mm cutter tools, navigation marker snap-easy fittings, and UKA cutters. These additions strengthen the hospital's robotic surgery infrastructure, enabling improved precision, efficiency, and outcomes in advanced surgical procedures.	NA	NA

Directors' Report & Management Discussion and Analysis

Sr. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalised groups*
10.	Rajasthani Sammelan Education Trust, Mumbai: The project supports the university construction initiative of Rajasthani Sammelan Education Trust. The contribution is directed towards strengthening educational infrastructure, facilitating the development of academic facilities, and advancing access to quality higher education for students.	Ongoing	Ongoing
11.	Miscellaneous (Waluj): As part of flood relief efforts in the Marathwada region, 100 food packets were distributed to support affected communities. This initiative aimed to provide immediate nutritional support to families impacted by the floods.	100	100%
12.	Miscellaneous (Bhuj): The project involved the provision of aprons and silk sarees to The Akshaya Patra Foundation for its Bhuj kitchen. This contribution supports kitchen operations and recognises the efforts of staff involved in the preparation and distribution of mid-day meals.	NA	NA
13.	Panna Narendra Dalal Charitable Trust, Mumbai: The project supports the Trust's ongoing food distribution initiative for the needy in Borivali, Mumbai. Through this contribution, over 250 food packets are distributed daily, totalling approximately 10,000 food packets, helping address food insecurity and provide consistent nutritional support to vulnerable communities.	10,000	100%
14.	The People's Medical Relief Society, Mumbai: The project supports the medical treatment of Mrs. Chhaya B. Pawar through assistance provided by The People's Medical Relief Society. This contribution helps ensure access to necessary healthcare services and supports her treatment and recovery.	1	100%

*Considering that the participant belongs to a vulnerable population, including elderly individuals, socioeconomically disadvantaged groups, or children.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER.

We are committed to responsible consumer engagement and to consistently delivering value to our customers. Our focus is on building meaningful, trust-based relationships by offering products and services that meet customer needs while upholding the highest ethical standards. By embedding responsible practices across our operations, we strengthen customer confidence and loyalty. This ensures that every interaction with our brand contributes positively to customer experience and supports sustainable, long-term business growth.

Essential Indicators

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

As an organisation, we place strong emphasis on customer satisfaction and have built a structured system to capture, track, and resolve customer queries and grievances. We maintain multiple communication channels to ensure customers can reach us easily and receive timely support. Over the years, we have strengthened our customer feedback and grievance management processes to ensure accurate logging of complaints, clear assignment of responsibilities, and prompt resolution. Customers can contact us through our grievance portal, dedicated email addresses, telephone support, and other direct communication channels. All feedback and concerns are routed to our specialised Techno-Commercial team, which evaluates each case and provides appropriate and timely resolutions. These teams follow defined procedures for verification, root-cause analysis, corrective action, and customer communication.

In addition, we regularly conduct customer assessment, satisfaction surveys, trade fairs, and service visits, to capture insights on product performance, service experience, and emerging expectations. The findings from these surveys are reviewed by management and inform continuous improvements in product quality, service responsiveness, and overall customer experience.



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

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

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

	FY 2025-26			FY 2024-25	
	Received during the year	Pending resolution at end of year	Remarks	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*	NA*	-	NA*	NA*
Restrictive Trade Practices	0	0	-	0	0
Unfair Trade Practices	0	0	-	0	0
Other – Product related**	12,613	1,592	*	12,791	995

*Pending complaints are in process of resolution.

**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.

Yes.

The Company has adopted a [Cyber Security and Data Privacy Policy](#), which serves as an overarching framework for information security and data privacy. The policy is designed to safeguard business and sensitive data and to ensure compliance with applicable laws, regulations, and recognised privacy principles.

The policy establishes governance principles and responsibilities for protecting confidentiality, integrity, and availability of information. It provides high level guidance on the responsible collection, transfer, storage, and processing of business and sensitive data and promotes the secure and reliable use of information systems across the organisation. The framework also aims to prevent unauthorised access, misuse, or illegal use of information.

To support effective cyber risk management, the policy provides for regular risk assessments and audits, monitoring systems for anomalies or potential incidents, and reporting of suspected information security breaches through defined incident reporting and grievance mechanisms. The Company is responsible for providing appropriate resources, training, and awareness programmes to promote cybersecurity and data privacy consciousness across the organisation. The policy also includes enforcement provisions, under which violations may attract disciplinary action in accordance with internal policies and regulatory requirements.

Directors' Report & Management Discussion and Analysis

In alignment with this framework, the Company has implemented multiple cybersecurity measures, including the engagement of a Managed Security Service Provider (MSSP) and the operation of a Security Operations Centre (SOC) for round-the-clock monitoring, threat detection, and incident response. Periodic Vulnerability Assessments and Penetration Testing (VAPT) are conducted to proactively identify and remediate potential vulnerabilities, supported by Endpoint Detection and Response (EDR) solutions that provide real time protection across digital assets. The Company has also implemented an external threat surface visibility solution to monitor internet facing assets and identify potential exposure to emerging cyber threats. Established security incident management processes enable timely containment and resolution of incidents, thereby minimising operational and customer impact.

The Company also undertakes phishing simulation exercises and structured training and awareness programmes to strengthen employee preparedness and promote responsible information handling and cybersecurity best practices. In addition, a structured cybersecurity evaluation process for external vendors is followed prior to onboarding and during deployment, helping to reduce third party technology risks and ensure alignment with internal security requirements.

During the reporting period, the Company reported no incidents of data breaches, reflecting the effectiveness of its governance framework, monitoring practices, and security controls in safeguarding information assets.

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; recurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

There has been no such incident during this reporting year and adverse action taken by any authority.

7. Provide the following information relating to data breaches:

	BKT Tires
Number of instances of data breaches	0
Percentage of data breaches involving personally identifiable information of consumers	0
Impact if any of the breaches	No Cyber incident occurred in FY 2025-2026

Leadership Indicators

1. Channels / platforms where information on products and services of the of the entity can be accessed (provide web link, if available).

Information on our products and services is accessible through our official website at <https://www.bkt-tires.com/ww/us/>. In addition, we actively participate in industry exhibitions, trade fairs, and outreach events to showcase our offerings and engage with customers. Stakeholders may also reach out to us through our established communication channels, including email, telephone support, and distributor networks, for any further product-related queries or assistance.

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

BKT ensures that its products are designed, tested, and manufactured in compliance with applicable country-specific regulatory requirements, international tire and rim standards, and customer-specific specifications, including Original Equipment Manufacturer (OEM) requirements. Product development and validation are aligned with recognised industry standards such as those issued by the European Tire and Rim Technical Organisation (ETRTO), covering parameters related to tire dimensions, load and speed ratings, inflation pressures, and performance and safety requirements. BKT also complies with OEM and customer standards, which include stringent technical specifications, application-specific safety criteria, and quality assurance protocols to ensure product reliability across diverse operating conditions.



To promote safe and responsible usage, BKT provides clear product usage guidelines, including instructions on installation, recommended operating limits, maintenance practices, and inspection requirements, aligned with ETRTO standards, applicable regulations, and customer or OEM specifications. We also conduct regular training and awareness programmes for dealers, distributors, and customers through technical training, field engagements, and channel-partner initiatives. These efforts are supported by technical and field engineering teams that assist customers in understanding correct application and safe operating practices, thereby strengthening consumer awareness and responsible product use.

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 clear mechanisms to keep stakeholders informed in the event of any service disruption or operational interruption. Communication is carried out through multiple channels, including our official website, email notifications, telephonic communication and updates shared through our distributor network. Our Business Continuity Policy outlines these protocols and ensures that all relevant stakeholders receive timely and accurate information to minimise inconvenience and maintain transparency.

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 provide product information that meets all applicable regulatory and export-market requirements, and we also share additional technical and safety details to help customers use our products more effectively. These enhanced disclosures support better understanding of tire specifications, performance parameters and safe usage guidelines.

We also conduct periodic customer satisfaction surveys covering major product categories and key customer touchpoints. The findings are reviewed during management review meetings and integrated into our ongoing quality improvement processes. In addition to formal surveys, regular interactions at customer forums, trade fairs, and service visits provide valuable real-time feedback that contributes to product enhancements and service excellence.

Directors' Report & Management Discussion and Analysis

ANNEXURE TO THE BRSR: ESG DISCLOSURES FOR VALUE CHAIN

Regulatory Framework

Pursuant to SEBI Circular No. SEBI/HO/CFD/SEC-2/P/CIR/2023/122 dated 12 July 2023, read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/42 dated 28 March 2025 (introducing relaxations and transition provisions), and further read with SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30 January 2026, the top 250 listed entities (by market capitalisation) are required to undertake voluntary ESG disclosures for their value chain in accordance with the BRSR Core framework.

Approach to Value Chain ESG Disclosure

During the year, Balkrishna Industries Limited (BKT) initiated engagement and data gathering from value chain partners to build a foundation for ESG reporting under the given framework. Using a risk- and value-based approach, BKT identified key suppliers and customers, with over 150 partners invited to disclose information under the BRSR Core framework.

A structured outreach programme was conducted over two years, including eight engagement sessions on NGRBC principles and BRSR Core requirements to build awareness. This was followed by a detailed ESG questionnaire administered through a dedicated platform, supplemented by publicly available disclosures for select listed partners.

Due to the extensive data requirements and reporting timelines, most partners submitted information for FY 2024-25. It is pertinent to mention that data collection became more challenging considering the exposure of the company to international trade wherein value chain partners follow different reporting cycles.

Data Coverage and Key Observations

Responses were received from about 25% of value chain partners, supplemented with public BRSR disclosures used for a few large, listed partners. Together, this covers around 50% of total purchase and sales by value. Analysis indicates that social KPIs were the most recorded across the value chain, followed by governance and environmental metrics. However, certain data limitations, including gaps and inconsistencies, constrained from presenting the detailed analytics and intensity-based metrics.

Way Forward

As this is BKT's first year of value chain ESG disclosures under BRSR Core, it serves as a baseline for structured partner engagement. Initial awareness and data collection efforts have laid the foundation for improved data quality and coverage. These efforts will facilitate to improve year-on-year comparability and enable more robust and transparent value chain disclosures with assessment or assurance over time.



BALKRISHNA INDUSTRIES LIMITED



for
Reporting Period:

01st April 2025 – 31st March 2026



Bureau Veritas (India) Private Limited

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

Directors' Report & Management Discussion and Analysis

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 01.04.2025 to 31.03.2026, based on BRSR & BRSR Core Parameters consisting of the Key Performance Indicators (KPIs) under Environment, Social and Governance (ESG) attributes, which are mentioned in Annexure 17A, of the Securities and Exchange Board of India (SEBI) Master Circular dated January 30, 2026.

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.

Ref: BV_BKT_BRSR_29964792



Independent Assurance Statement



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.

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 1st April 2025 to 31st March 2026, 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.

Directors' Report & Management Discussion and Analysis

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 fully validate their appropriateness 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.

Ref: BV_BKT_BRSR_29964792



Independent Assurance Statement



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.
- 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.

Directors' Report & Management Discussion and Analysis

Independent Assurance Statement



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 disclosures in the BRSR 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.

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 198 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.

Ref: BV_BKT_BRSR_29964792



Independent Assurance Statement

**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.



AA1000
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000-137/V3-8T10S

M Rama Mohan RAO
Lead Assuror
Bureau Veritas (India) Private Limited
Hyderabad, India
Dt: 16.06.2026

Rupam BARUAH
Technical Reviewer
Bureau Veritas (India) Private Limited
Mumbai, India
Dt: 17.06.2026

Corporate Governance Report

Corporate governance is the cornerstone of ethical, transparent, and responsible business conduct. It provides the framework of rules, practices, and processes through which a company is directed and controlled, in line with the principles of fairness, accountability, transparency, and integrity. Effective governance supports sustainable value creation while ensuring compliance with applicable laws and regulations, including the SEBI (LODR) Regulations.

In line with global best practices of Corporate Governance, the Company adopts a stakeholder-centric approach to governance. While protecting and enhancing shareholder value, the governance framework recognises the interests of all key stakeholders, including investors, employees, customers, suppliers, regulators, government authorities, value-chain partners and the communities in which the Company operates. This approach reflects the growing emphasis on Environmental, Social, and Governance (ESG) responsibilities.

Strong corporate governance promotes timely and accurate disclosures, equitable treatment of shareholders, and robust internal controls. It plays a critical role in identifying, assessing, and managing financial, operational, regulatory, and sustainability-related risks, thereby enhancing organisational resilience and long-term performance.

The Board of Directors bears primary responsibility for the Company's corporate governance. It provides strategic guidance, oversees management, ensures effective risk management and regulatory compliance, and upholds high standards of ethics and accountability. Through responsible stewardship, transparent decision-making, and integration of ESG considerations, the Board seeks to ensure sustainable growth and long-term value for shareholders and other stakeholders.

1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on corporate governance is founded on a strong legacy of ethical, fair, and transparent business practices, many of which were voluntarily adopted ahead of regulatory requirements. Guided by the principles of trusteeship, transparency, and accountability, the Company's governance framework aligns with internationally recognised standards and integrates Environmental, Social and Governance (ESG) considerations, while remaining anchored to its core values of Quality, Trust, Leadership, and Excellence.

The Company believes that an active, well-informed, and independent Board of Directors is fundamental to effective corporate governance. In addition to complying with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the

Companies Act, 2013, the Board and management are committed to upholding the highest standards of ethical conduct, robust oversight, and sustainable long-term value creation for all stakeholders.

GOVERNANCE STRUCTURE

The Corporate Governance structure is as follows:

Board of Directors

- a. The Board of Directors has overall responsibility for the Company's strategic direction, governance, and performance. Acting in a fiduciary capacity, the Board provides leadership, independent oversight, and strategic guidance to management, ensuring ethical conduct, transparency, robust disclosures, and alignment with long-term stakeholder and ESG objectives.

Committees of the Board

- b. To enable effective governance and focused oversight, the Board has constituted various Committees in accordance with SEBI (LODR) Regulations. Each Committee functions under a Board-approved charter and oversees specific areas of governance. The Committees meet regularly, and their proceedings are reported to the Board, strengthening accountability, risk oversight, and decision-making.

2. COMPOSITION OF THE BOARD OF DIRECTORS:

- I. As on 31st March, 2026, the Company has Ten Directors. Out of the Ten Directors, Three (30%) are Executive Directors and Seven (70%) are Non-Executive Directors of which Five (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 1st April, 2025 to 31st March, 2026. 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 2025-26 the Board of Directors met Six times i.e. 23rd May, 2025, 26th July, 2025, 31st October, 2025, 19th December,

2025, 28th January, 2026 and 28th March, 2026. 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 2025-26 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 31st March, 2026 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act.

Name of the Directors	Category of Directors	Board Meeting attended during the year	Whether attended last Annual General Meeting	Number of Directorships held in other public companies as on 31 st March, 2026	No of Committee positions held in other public companies as on 31 st March, 2026	
					Membership	Chairperson
Mr. Arvind Poddar DIN: 00089984	Chairman & Managing Director	6/6	Present	-	-	-
Mr. Rajiv Poddar DIN: 00160758	Joint Managing Director	6/6	Present	-	-	-
Mrs. Vijaylaxmi Poddar DIN: 00160484	Non-Executive Director Non-Independent Director	5/6	Present	-	-	-
Mr. Vipul Shah DIN: 05199526	Company Secretary & Whole Time Director	6/6	Present	-	-	-
Mr. Pannkaj Ghadiali DIN: 00003462	Non-Executive Independent Director	6/6	Present	2	-	3
Mrs. Shruti Shah DIN: 08337714	Non-Executive Independent Director	6/6	Present	5	3	3
Mr. Laxmidas Merchant DIN: 00007722	Non-Executive Independent Director	5/6	Absent	1	-	1
Mr. Rahul Dutt DIN: 08872616	Non-Executive Independent Director	6/6	Present	6	6	-
Mr. Natarajan Gnanaskandan Tanjore DIN: 00013939	Non-Executive Independent Director	1/1	NA	-	-	-
Mr. Ashok Saraf DIN: 01627873	Non-Executive Director Non-Independent Director	1/1	NA	-	-	-

Corporate Governance Report

Notes:

- Mr. Natarajan Gnanaskandan Tanjore was appointed as Non-Executive Independent Director for a term of five years commencing from 1st February, 2026 to 31st January, 2031, through Postal Ballot for which the results were declared on 22nd January, 2026.
- Mr. Ashok Saraf was appointed as Non-Executive Non-Independent Director commencing from 1st February, 2026 through Postal Ballot for which the results were declared on 22nd January, 2026.

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	Non-Executive Independent Director
	Kalyani Investment Company Limited	Non-Executive Independent Director
	Ajmera Realty & Infra India Limited	Non-Executive Independent Director
	Orient Cement Limited	Non-Executive Independent Director
	ACC Limited	Non-Executive Independent Director
Mr. Laxmidas Merchant	B.D. Industries (Pune) Limited	Non-Executive Independent Director
Mr. Rahul Dutt	Alok Industries Limited	Non-Executive Independent Director
	Den Networks Limited	Non-Executive Independent Director
	Reliance Industrial Infrastructure Limited	Non-Executive Independent Director
	Sterling and Wilson Renewable Energy Limited	Non-Executive Independent Director
Mr. Natarajan Gnanaskandan Tanjore	-	-
Mr. Ashok Saraf	-	-

- 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:

Global Business	Experience in driving business success/dynamics in markets around the world and understanding across various geographical markets, industry verticals and regulatory jurisdiction.
Leadership	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.
Sales and Marketing	Developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.
Financial	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.
Technology	A significant background in technology, resulting in knowledge to create new business models.
Governance	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.
Understanding of industry & operations	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	-	✓	-	✓	-	✓	-
Mr. Natarajan Gnanaskandan Tanjore	✓	✓	✓	✓	✓	✓	✓*
Mr. Ashok Saraf	✓	✓	✓	✓	✓	✓	✓*

*Mr. Ghadiali, Mr. Tanjore and Mr. Saraf possess a basic understanding of the Industry and the Company's operations.

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/www/us/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 2025-26.

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/www/us/investors-desk>.

- VIII. Number of shares and convertible instruments held by Non-Executive Directors: Shares held by Non – Executive Director as on 31st March, 2026:

Name of Non-Executive Director	No. of Shares held of ₹ 2 each
Mrs. Vijaylaxmi Poddar	1,000
Mr. Ashok Saraf	NIL

The Company has not issued any convertible instruments.

Corporate Governance Report

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/ESG initiatives of the Company and impact thereof.

The details of the familiarisation programme for Director is available on the Company's website, viz. <https://www.bkt-tires.com/www/us/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 2025-26 was held on 28th March, 2026 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, considering 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 of:

- To review with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval;
- To recommend Appointment (including Re-appointment), remuneration and terms of Appointment (including Re-appointment) of Auditors of the Company;
- To evaluate Internal Controls and Risk Management systems;
- To review and monitor the Auditor's independence and performance, and effectiveness of audit process.

The scope of activities of the Audit Committee is prescribed in Part C of Schedule II of Listing Regulation and Section 177 of the Act read with rules made thereof.

In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

The Committee met five times during the FY 2025-26. The meetings were held on 23rd May, 2025, 26th July, 2025, 31st October, 2025, 28th January, 2026 and 28th March, 2026. 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	5/5
Mrs. Shruti Shah	Non-Executive Independent Director	Member	5/5
Mr. Rahul Dutt	Non-Executive Independent Director	Member	5/5
Mr. Laxmidas Merchant	Non-Executive Independent Director	Member	4/5

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 26th July, 2025.

II. NOMINATION AND REMUNERATION COMMITTEE:

The Constitution, powers, role and terms of reference of the Nomination and Remuneration Committee are in compliance with Regulation 19 of the Listing Regulations and Section 178 of the Act, besides other terms as referred by the Board of Directors.

The terms of reference of the Nomination and Remuneration Committee, inter alia consists;

1. Recommend to the Board the Appointment/ Re-appointment of Directors, Key Managerial Personnel and Senior Management.
2. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, Key Managerial Personnel and Senior Management Personnel;
3. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
4. Discuss on whether to extend or continue the term of appointment of the Independent Director, based on the report of performance evaluation of Independent Directors.
5. Recommend to Board all remuneration in whatever form payable to Senior Management.

The committee met three times during the FY 2025-26. The meetings were held on 23rd May, 2025, 19th December, 2025 and 28th March, 2026.

COMPOSITION AND MEETINGS OF NOMINATION AND REMUNERATION COMMITTEE:

Name of the Director	Category of Director	Designation	Meetings Attended
Mr. Pannkaj Ghadiali	Non-Executive Independent Director	Chairman	3/3
Mrs. Shruti Shah	Non-Executive Independent Director	Member	3/3
Mr. Rahul Dutt	Non-Executive Independent Director	Member	3/3
Mr. Laxmidas Merchant	Non-Executive Independent Director	Member	3/3

Mr. Pannkaj Ghadiali, the Chairman of the Nomination and Remuneration Committee, attended the Annual General Meeting of the Company held on 26th July, 2025.

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 2025-26 was held on 28th March, 2026.

Corporate Governance Report

The performance of the Independent Directors was evaluated by the entire Board except the person being evaluated in their meeting held on 28th March, 2026. 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 based on 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/www/us/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	0.07	Retire by Rotation
Mr. Pannkaj Ghadiali	0.17	The second term of appointment is for five consecutive years commencing from 8 th November, 2022 to 7 th November, 2027 as approved by the members in the 60 th Annual General Meeting held on 7 th July, 2022.
Mrs. Shruti Shah	0.18	The second term of appointment is for five consecutive years commencing from 8 th February, 2024 to 7 th February, 2029 approved by the members through Postal Ballot for which the results were declared on 29 th December, 2023.
Mr. Laxmidas Merchant	0.12	The term of appointment is for five consecutive years commencing from 28 th March, 2024 to 27 th March, 2029 approved by the members through Postal Ballot for which the results were declared on 29 th December, 2023.
Mr. Rahul Dutt	0.13	The term of appointment is for five consecutive years commencing from 28 th March, 2024 to 27 th March, 2029 approved by the members through Postal Ballot for which the results were declared on 29 th December, 2023.
Mr. Natarajan Gnanaskandan Tanjore	0.02	The term of appointment is for five consecutive years commencing from 1 st February, 2026 to 31 st January, 2031 approved by the members through Postal Ballot for which the results were declared on 22 nd January, 2026.
Mr. Ashok Saraf	0.01	Retire by Rotation, appointed w.e.f. 1 st February, 2026 approved by the members through Postal Ballot for which the results were declared on 22 nd January, 2026.
Total	0.70	

c) Remuneration to Managing/Joint Managing/Executive/Whole-Time Director:

The remuneration of Directors (Executive and Non-Executive)/Key Managerial Personnel/Senior Management Personnel was governed by the recommendation of the Nomination and Remuneration Committee, Resolutions passed by the Board of Directors and Shareholders (Directors - Executive and Non-Executive) of the Company. The remuneration structure comprises of salary, allowances, commissions, perquisites and employee benefits, if any.



The Board of Directors takes all decisions regarding the remuneration of Non-Executive Directors on recommendations made by Nomination & Remuneration Committee.

The details of the remuneration of Directors for the year ended 31st March, 2026 are given below:

(₹ In Crores)

Name of the Director	Salary	Perquisites & Allowances*	Commission	Total	Service Contract
Mr. Arvind Poddar	3.00	2.54	29.44	34.98	1 st August, 2021 to 31 st July, 2026 [#]
Mr. Rajiv Poddar	2.40	2.02	25.56	29.98	22 nd January, 2024 to 21 st January, 2029
Mr. Vipul Shah	0.45	0.74	-	1.19	11 th February, 2022 to 10 th February, 2027 [@]
Total	5.85	5.30	55.00	66.15	

*Perquisites and Allowances does not include contribution to Provident Fund, other Funds and Retirement Benefits to the extent not taxable Income Tax Law.

[#]The Shareholders of the Company have approved the re-appointment of Shri Arvind Poddar as Chairman and Managing Director for a further period of five (5) years, with effect from 1st August, 2026 to 31st July, 2031, through a Postal Ballot for which the results were declared on 22nd January, 2026. Further, the Shareholders have also approved the remuneration limits payable to Shri Arvind Poddar and Shri Rajiv Poddar, capped at ₹ 35 Crores per annum and ₹ 30 Crores per annum, respectively, for the period commencing from FY 2025-26 until the completion of their respective terms of appointment.

[@]The Board of Directors at its meeting held on 8th May, 2026 reappointed Mr. Vipul Shah as Whole Time Director for a period of 5 years w.e.f. 11th February, 2027 to 10th February, 2032, subject to approval of the Shareholders in the ensuing Annual General Meeting.

- 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 2025-26. The meetings were held on 22nd May, 2025, 25th July, 2025, 31st October, 2025 and 28th January, 2026.

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 26th July, 2025.

During the year, 12 complaints were received and resolved within stipulated time.

As at 31st March, 2026, there was no Share Transfer pending for Registration for more than 15 days.

Corporate Governance Report

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 of responsible and sustainable business practices and supports the Board in fulfilling its social and ESG-related responsibilities. The Committee is primarily responsible for formulating the CSR Policy, recommending the CSR expenditure, and monitoring the implementation of CSR initiatives in accordance with the approved framework.

The Committee discharges its functions in line with the provisions of Section 135 of the Companies Act, 2013, read with Schedule VII thereto, and ensures that the Company's CSR

activities are aligned with stakeholder needs, regulatory requirements, and long-term sustainability objectives.

The terms of reference of the Corporate Social Responsibility Committee, inter alia consists of:

1. To frame the CSR policy and its review from time to time;
2. To recommend to the 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 2025-26. The meetings were held on 22nd May, 2025, 25th July, 2025, 31st October, 2025 and 28th January, 2026.

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:

The Business Responsibility and Sustainability Committee monitors corporate governance practices across the Company and advises the Board on sustainability and ESG-related matters. The Committee is empowered to review governance standards, recommend remedial actions, and support the integration of responsible business practices in accordance with SEBI (LODR) Regulations.

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 2025-26. The meeting was held on 23rd May, 2025.



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 of;

- Execute, amend, and deliver all banking, financial, and security documents in connection with the Company's borrowings, subject to applicable laws.
- Operate and manage all credit facility and bank accounts of the Company, including EEFC accounts, and authorise signatories.
- Undertake all foreign exchange and derivative transactions of the Company.
- Create charges, mortgages, or hypothecation over Company assets and arrange guarantees or third-party security in favour of lenders.

- File and submit requisite documents and returns with RBI, ROC, and other statutory or regulatory authorities.
- Appoint security trustees for holding securities on behalf of banks or lenders.
- Avail and operate internet and online banking facilities, including third-party payment rights.
- Invest surplus funds and grant loans, guarantees, or securities within limits prescribed under applicable law.

The committee met seven times during the FY 2025-26. The meetings were held on 15th April, 2025, 1st July, 2025, 8th September, 2025, 20th September, 2025, 6th November, 2025, 31st December, 2025, 16th February, 2026, 2nd March, 2026 and 23rd March, 2026.

COMPOSITION AND MEETINGS OF THE FINANCE COMMITTEE:

Name of the Director	Category of Director	Designation	Meetings Attended
Mr. Arvind Poddar	Chairman & Managing Director	Chairman	9/9
Mr. Rajiv Poddar	Joint Managing Director	Member	7/9
Mr. Vipul Shah	Director & Company Secretary	Member	9/9

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 accordance with Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee assists the Board of Directors in overseeing the Company's enterprise risk management framework, including the identification, assessment, prioritisation, monitoring, and mitigation of material risks that may affect business continuity, performance, and long-term sustainability. The Board retains overall responsibility for the risk management framework and, based on the Committee's recommendations, approved the Risk Management Report at its meeting held on 28th March, 2026.

The Company's risk management framework covers financial, operational, credit, regulatory, and strategic risks, and integrates environmental, social, and governance (ESG) risks, including climate-related risks. These include physical and transition risks arising from climate change, evolving regulations, and stakeholder expectations, consistent with BRSR disclosures and Principle 7 on responsible business conduct. The Committee supports the integration of sustainability and climate considerations into decision-making, ensures that risk exposures are managed within approved limits, and promotes a robust, disciplined, and forward-looking risk control environment through defined policies, controls, and monitoring mechanisms.

Corporate Governance Report

The committee met two times during the FY 2025-26. The meetings were held on 13th October, 2025 and 28th March, 2026.

COMPOSITION AND MEETINGS OF RISK MANAGEMENT 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
2022-2023 61 st AGM	Meeting was conducted through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	22 nd July, 2023	11.00 AM	One Special Resolution was passed in the meeting
2023-2024 62 nd AGM	Meeting was conducted through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	19 th July, 2024	11.00 AM	No Special Resolution was passed in the meeting
2024-2025 63 rd AGM	Meeting was conducted through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	26 th July, 2025	10:30 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, two special resolutions & one ordinary resolution were passed through postal ballot by the Company which are as follows:

Date of Postal Ballot Notice	Resolution(s) passed through Postal Ballot	Votes in favour/against the resolution (% of total number of valid votes)	Approval date	Date of Scrutiniser Report
19 th December, 2025	Re-appointment of Mr. Arvind Poddar (DIN: 00089984), as Chairman & Managing Director of the Company (Special Resolution)	Votes in favour: 92.4454% Votes in against: 7.5546%	22 nd January, 2026	22 nd January, 2026
	Appointment of Mr. Natarajan Gnanaskandan Tanjore (DIN: 00013939) as an Independent Director of the Company (Special Resolution)	Votes in favour: 99.9514% Votes in against: 0.0486%		
	Appointment of Mr. Ashok Saraf (DIN: 01627873) as a Non-Executive Non-Independent Director of the Company (Ordinary Resolution)	Votes in favour: 99.9010% Votes in against: 0.0990%		

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

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

d. Procedure for postal ballot:

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020 and subsequent circulars issued in this regard, the latest being 9/2023 dated 25th September, 2023, respectively issued by the Ministry of Corporate Affairs.

6. MEANS OF COMMUNICATION:

The quarterly, half-yearly and annual results of the Company are published in Business Standard, Lokmat. The results are also displayed on the Company's website <https://www.bkt-tires.com/www/us/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	Wednesday, the 29 th July, 2026
Time	11:30 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)

Corporate Governance Report

b. FINANCIAL YEAR: Commencing from 1st April, and ending on 31st 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 th August, 2026
2	Second Quarter & Half Yearly Results	On or before 14 th November, 2026
3	Third Quarter & Nine-months Results	On or before 14 th February, 2027
4	Fourth Quarter & Annual Results	On or before 30 th May, 2027

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 st Interim Dividend	12 th August, 2025	4/-
2 nd Interim Dividend	18 th November, 2025	4/-
3 rd Interim Dividend	11 th February, 2026	4/-

The Board of Directors at their Meeting held on 8th May, 2026 has recommended final dividend of ₹ 4/- per equity share for FY 2025-26, subject to the approval from Shareholders. The dividend if declared at the Annual General Meeting shall be paid after AGM date, 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., 17th July, 2026, 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/www/us/investors-desk>.

Details of Unclaimed dividend as on 31st March, 2026 and due date of transfer is as follows:

Dividend Details	Financial year ended	Date of Declaration	Due date of transfer
Final Dividend	2018-2019	13 th July, 2019	12 th August 2026
1 st Interim Dividend	2019-2020	10 th August, 2019	14 th September, 2026
2 nd Interim Dividend	2019-2020	14 th November, 2019	18 th December, 2026
3 rd Interim Dividend	2019-2020	14 th February, 2020	20 th March, 2027
1 st Interim Dividend	2020-2021	13 th August, 2020	16 th September, 2027
2 nd Interim Dividend	2020-2021	6 th November, 2020	9 th December, 2027
3 rd Interim Dividend	2020-2021	8 th February, 2021	14 th March, 2028
Final Dividend	2020-2021	30 th June, 2021	1 st August, 2028
1 st Interim Dividend	2021-2022	6 th August, 2021	6 th September, 2028
2 nd Interim Dividend	2021-2022	11 th November, 2021	12 th December, 2028
3 rd Interim Dividend	2021-2022	14 th February, 2022	17 th March, 2029
Final Dividend	2021-2022	7 th July, 2022	11 th August, 2029
1 st Interim Dividend	2022-2023	4 th August, 2022	5 th September, 2029
2 nd Interim Dividend	2022-2023	14 th November, 2022	20 th December, 2029
3 rd Interim Dividend	2022-2023	11 th February, 2023	19 th March, 2030
Final Dividend	2022-2023	22 nd July, 2023	26 th August, 2030
1 st Interim Dividend	2023-2024	5 th August, 2023	10 th September, 2030
2 nd Interim Dividend	2023-2024	21 st October, 2023	15 th November, 2030
3 rd Interim Dividend	2023-2024	24 th January, 2024	21 st February, 2031



Dividend Details	Financial year ended	Date of Declaration	Due date of transfer
Final Dividend	2023-2024	19 th July, 2024	24 th August, 2031
1 st Interim Dividend	2024-2025	9 th August, 2024	13 th September, 2031
2 nd Interim Dividend	2024-2025	25 th October, 2024	30 th November, 2031
3 rd Interim Dividend	2024-2025	25 th January, 2025	2 nd March, 2032
Final Dividend	2024-2025	26 th July, 2025	31 st August, 2032
1 st Interim Dividend	2025-2026	26 th July, 2025	31 st August, 2032
2 nd Interim Dividend	2025-2026	31 st October, 2025	6 th December, 2032
3 rd Interim Dividend	2025-2026	28 th January, 2026	5 th March, 2033

*Note: 3rd Interim Dividend 2018-19 was transferred to Investor Education and Protection Fund in April, 2026 and shares were transferred in April, 2026.

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.

Pursuant to Section 124(6) of the Companies Act, 2013, read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, equity shares in respect of which dividend has remained unclaimed or unencashed for seven consecutive years or more are transferred to the Demat Account of the Investor Education and Protection Fund Authority ("IEPFA") within the prescribed time. Upon such transfer, all benefits accruing on these shares, including dividend and bonus shares, if any, are also transferred to the IEPFA, and the voting rights remain frozen until the rightful shareholder claims the shares.

Shareholders may claim the unclaimed dividend and/or shares transferred to the IEPFA by submitting an online application in Form IEPF-5 available at www.iepf.gov.in, followed by submission of the prescribed documents to the Company. Once the dividend and/or shares are transferred to the IEPFA, no claim shall lie against the Company. The Company periodically notifies the concerned shareholders to enable timely encashment of dividends and avoid transfer to the IEPFA.

The Company sends periodical communication to the concerned Shareholders to claim their Dividends 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/www/us/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 2017-18	11 th September, 2025	19 th September, 2025
2.	1 st Interim Dividend 2018-19	16 th October, 2025	15 th October, 2025
3.	2 nd Interim Dividend 2018-19	24 th December, 2025	3 rd January, 2026

Nodal Officer

Mr. Vipul Shah, Director and Company Secretary of the Company was appointed as the Nodal Officer and Mr. Amit Das, Assistant General Manager was appointed as Deputy Nodal Officer for the purpose of co-ordination with the IEPF Authority and to ensure processing and verification of claims made by the shareholders in time bound manner.

Initiatives taken by IEPF Authority (Saksham Niveshak)

The IEPF Authority launched a 100 day campaign, Saksham Niveshak in July 2025 to enhance investor awareness and expedite resolution of

pending matters relating to unclaimed dividends, shares transferred to IEPF and updating of KYC & nomination details. In support of this initiative, the Company has sent letter urging Shareholders to update their KYC and claim their unclaimed dividend(s). The Company's RTA also conducted a special drive to process unclaimed dividends, enabling payment of multiple outstanding dividend(s) to Shareholders who updated their bank details.

d. COMPANY'S SHARES ARE LISTED ON:

BSE Limited: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

Corporate Governance Report

National Stock Exchange of India Limited:
5th Floor, Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051

Annual listing fee as applicable for the year 2025-26 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: einward.ris@kfintech.com

Website: www.kfintech.com

Contact Person:

Mr. Ganesh Chandra Patro Assistant Vice President

Contact Number: 040 – 6716 1630

Mumbai address (for shareholder services):

301, The Centrium, 3rd Floor, 57,
Lal Bahadur Shastri Road, Navpada, Kurla (West),
Mumbai - 400 070, Maharashtra

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.

h. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2026:

Sr. No.	Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1	1 - 500	1,20,978	98.02	33,76,235	1.75
2	501 - 1000	788	0.64	5,90,601	0.31
3	1001 - 2000	508	0.41	7,55,116	0.39
4	2001 - 3000	234	0.19	6,13,506	0.32
5	3001 - 4000	141	0.11	5,01,003	0.26
6	4001 - 5000	101	0.08	4,62,175	0.24
7	5001 - 10000	243	0.21	17,59,255	0.91
8	10001 - Above	424	0.34	18,52,59,299	95.82
TOTAL:		1,23,417	100.00	19,33,17,190	100.00

Categories of Shareholding as on 31st March, 2026:

Shareholding Pattern as on 31st March, 2026

Categories of Shareholders	No. of Shares	% of Total Shares
Promoter and Promoter Group (A)	11,26,90,200	58.29
Public Shareholding (B)		
Mutual Funds/UTI	3,44,56,652	17.82
Financial Institutions/Banks	2,200	0.00
Bodies Corporate	8,15,152	0.42
Individuals	1,00,35,426	5.19



Categories of Shareholders	No. of Shares	% of Total Shares
Any Other		
NRI's	5,90,341	0.31
Trust	32,383	0.02
Foreign Portfolio Investor	21,509,074	11.13
Clearing Members	303	0.00
Alternative Investment Fund	5,09,446	0.26
IEPF	5,05,212	0.26
Qualified Institutional Buyer	1,19,21,424	6.17
H U F	2,45,437	0.13
NBFCs Registered with RBI	3,940	0.00
Total Public Shareholding (B)	8,06,26,990	41.71
Total Shareholding (A+B)	19,33,17,190	100.00

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 31st March, 2026, 99.87% 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.

l. PLANT LOCATION:

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, 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)
Carbon Black Manufacturing:	Bhuj Bhachau Road, S.H.No. 42, Village Padhdhar, Taluka Bhuj - 370 105, Dist: Kutch (Gujarat)
Mould Manufacturing:	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)
Drum Manufacturing:	Plot No. TS-1, MIDC Phase II, Opp. Don Bosco School, Manpada Road, Sagaon, Dombivli (E) - 421 204, Dist: Thane (Maharashtra)
Wind Farm:	Village Soda Mada, Tehsil: Fatehgarh - 345 027, Dist: Jaisalmer (Rajasthan)

m. ADDRESS FOR CORRESPONDENCE: BALKRISHNA INDUSTRIES LIMITED:

Registered office:	B-66, MIDC, Waluj Industrial Area, Waluj, Chhatrapati Sambhaji Nagar - 43 1136 (Maharashtra) Tel: (0240) – 6646950/999, Fax: (0240) – 2554143
Corporate office:	BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013. Tel: 022 66663800 Fax: 66663899, E-mail: shares@bkt-tires.com

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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:

- (i) Company has issued 75000 Rated, Listed, Senior, Unsecured, Redeemable, Non-Convertible Debentures ("Debentures") Face Value Of ₹ 1,00,000 each Aggregating to ₹ 750,00,00,000 on a Private Placement Basis in the FY 2025-26, In respect of that the Company has obtained credit rating as mentioned below:

Credit Rating Agency	Care Ratings Limited
Credit Rating	CARE AA+; Stable
Credit Rating Agency	Crisil Ratings
Credit Rating	Crisil AA+/Stable

- (ii) During the year under review, the Company has issued Commercial papers aggregating to ₹ 200 Crores and redeemed Commercial papers aggregating to ₹ 200 Crores in compliance with applicable provisions.

Credit Rating Agency	Crisil Ratings
Credit Rating	Crisil A1+

- (iii) Total Bank Loan Facilities related:

Credit Rating Agency	Crisil Ratings
Credit Rating: Long Term	Crisil AA+/Stable (Reaffirmed)
Credit Rating: Short Term	Crisil A1+ (Reaffirmed)

o. DEBENTURE TRUSTEE:

AXIS TRUSTEE SERVICES LIMITED

The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg,
Dadar west, Mumbai - 400 028
Website: www.axistrustee.in

188 of the Companies Act, 2013 or Regulation 23 of the SEBI (LODR) Regulations, and none of the transactions triggered the thresholds prescribed under the Policy on Materiality of Related Party Transactions and on 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/ww/us/investors-desk>.

Details of Transactions with related parties have also been disclosed in Note No. 43 of Standalone Financial Statements.

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 by the Company with related parties during the financial year 2025-26, as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were in the ordinary course of business and conducted on an arm's length basis. All such transactions were placed before the Audit Committee and were duly reviewed and approved by the Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 and applicable regulations.

The Company has not entered into any material related party transactions during the year requiring the approval of the shareholders under Section

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 the requirements of the Stock Exchanges, SEBI and Statutory Authorities related to the capital markets. During the period under review, the Company received a communication from the BSE Limited and accordingly an amount of ₹ 10,000/- (Rupees Ten Thousand Only) was paid by the Company for this administrative inadvertent delay. Apart from this,



there has been no instance of non-compliance/penalties, strictures imposed on the Company by Stock Exchanges or SEBI during the last 3 (three) financial years.

c. Vigil Mechanism/Whistle Blower Policy:

Pursuant to the provisions of Section 177(9) and 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Whistle Blower Policy and vigil mechanism for Directors and employees to report genuine concerns relating to unethical behaviour, fraud, or violation of the Company's Code of Conduct.

The vigil mechanism provides for adequate safeguards against victimisation of Directors and employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases. During the year under review, no personnel of the Company were denied access to the Audit Committee under this mechanism.

The Vigil Mechanism/Whistle Blower Policy is displayed on the Company's website viz. <https://www.bkt-tires.com/www/us/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/www/us/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 adopted 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

Corporate Governance Report

- 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	2.14
Other fees paid to M/s. JAYANTILAL THAKKAR & CO. and to entities of the network of which the auditor is a part	-
Total	2.14

- 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 2025-26	NIL
Number of complaints disposed of during the FY 2025-26	NIL
Number of complaints pending as on end of the FY 2025-26	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 under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Company has also complied with the mandatory corporate governance requirements as specified under sub-paragraphs (2) to (10) of Part C of Schedule V to the SEBI Listing Regulations.

The Corporate Governance Report of the Company for the financial year 2025-26 is in compliance with the requirements of corporate governance as stipulated under Regulation 27(2) of the SEBI Listing Regulations.

For and on behalf of the Board of Directors

ARVIND PODDAR

Place: Mumbai
Dated: 8th May, 2026

Chairman & Managing Director
DIN: 00089984



COMPLIANCE WITH THE CODE OF BUSINESS CONDUCT AND ETHICS

To,

The Members of **Balkrishna Industries Limited**

I, Arvind Poddar, Chairman & Managing Director of Balkrishna Industries Limited declare as required under Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that to the best of my knowledge and belief, all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with Balkrishna Industries Limited Code of Conduct of Board of Directors and senior management for the year ended 31st March, 2026.

For and on behalf of the Board of Directors

Place: Mumbai

Date: 8th May, 2026

ARVIND PODDAR

Chairman & Managing Director

DIN: 00089984

Corporate Governance Report

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 31st March, 2026 and that to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Balkrishna Industries Limited

ARVIND PODDAR
Chairman & Managing Director
DIN: 00089984

For Balkrishna Industries Limited

MADHUSUDAN BAJAJ
Sr. President & Director (Commercial) & CFO

Place: Mumbai
Date: 8th May, 2026



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 Sambhajnagar - 431 136

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 Sambhajnagar 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) 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 31st March, 2026 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	-
9.	SHRI NATARAJAN GNANASKANDAN TANJORE	00013939	01/02/2026	-
10.	SHRI ASHOK MAHAVIRPRASAD SARAF	01627873	01/02/2026	-

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

G.B.B. Babuji

Company Secretary in Whole-time Practice

Membership No. FCS-1182 C P No. 8131

PR No. 1353/2021

UDIN: F001182H000291494

Place: Navi Mumbai

Date: 8th May, 2026

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. a. This certificate is issued in accordance with the terms of our engagement letter dated 30th April, 2026.
- b. 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 31st March, 2026. 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 31st March, 2026 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 1st April, 2025 to 31st March, 2026:
 - 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 31st March, 2026, 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

Place: Mumbai

Date: 08th May, 2026

Membership No. 116279

UDIN: 26116279HCWKNM1362

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 31st March, 2026, 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 31st March 2026, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters

The key audit matters	How our audit addressed the matter
1. Capitalisation of Property, Plant and Equipment During the year ended 31st March, 2026, the Company has incurred significant capital expenditure. Further the total additions to Property, Plant and Equipment at various locations of the Company was ₹ 1,239.76 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.)	Principal Audit Procedures Our audit procedures included the following substantive procedures: • We assessed the capitalisation process and tested the design and operating effectiveness of the controls in the process. • 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. • 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. • 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.



The key audit matters	How our audit addressed the matter
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 to the standalone financial statements.)	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.
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 recognized in other comprehensive income. (Refer note no. - 40 to the standalone financial statements.)	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.

Independent Auditor's Report

The key audit matters	How our audit addressed the matter
Investments We have identified above as Key Audit Matter as investment accounting has resulted into significant impact on standalone financial statements. Mark to market gain/loss pertaining to these investments are recognized in other comprehensive income and profit and loss. (Refer note no. - 5 & 10 to the standalone financial statements.)	Principal Audit Procedures Our audit procedures included the following substantive procedures: - Assessing controls over the authorisation and recording of investment transactions, focusing on the segregation of duties between trade execution and accounting. - We verified transaction accuracy and completeness by reconciling sub-ledgers to custodian statements and vouching a sample of trades to contract notes. - We performed physical verification or obtained external confirmation of the existence and ownership of holdings by communicating directly with custodians, depositories, or banks to confirm balances held at year-end. - Evaluated the appropriateness of the valuation methodologies applied to unquoted or Level 3 investments, including challenging the key assumptions (e.g., discount rates, growth projections) and testing the mathematical accuracy of the valuation models on a sample basis. - Tested the valuation of quoted investments by independently benchmarking the carrying amounts against closing market prices sourced from recognized stock exchanges or third-party pricing services. - We verified the accuracy and completeness of investment income (interest and dividends) by performing a reasonableness test based on average balances and market yields and ensuring accruals are recorded in the correct period. - We reviewed the classification of investments (e.g., FVTPL, Amortised Cost, or FVTOCI) to ensure compliance with the relevant accounting framework and verified that any impairment losses have been appropriately identified and measured. - We reviewed the adequacy of disclosures in the financial statements, specifically regarding the fair value hierarchy (Levels 1, 2, and 3) and sensitivity analysis for significant unobservable inputs.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the report of the Board of Directors including Annexures thereto, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement 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 auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's 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.

Independent Auditor's Report

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone 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 31st March, 2026, taken on record by the Board of Directors, none of the

directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the 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 read with Schedule V of the Act.

- h. 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 as at 31st March, 2026 on its financial position in its standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or



indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.

- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in Note No. - 50 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. 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 31st March, 2026 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

PLACE : Mumbai
DATE : 08th May, 2026

MEMBERSHIP NO. 116279
UDIN: 26116279UAKKWU9060

Annexure - A to the Independent Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31st March 2026, 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 31st March 2026 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) (a) The Company has made investment in a subsidiary, provided guarantee to its wholly owned subsidiaries and granted unsecured loans to employees during the year, in respect of which:

Aggregate amount of investment made in subsidiary during the year - ₹ 0.10 Crores.

Aggregate amount of guarantee outstanding at the balance sheet date - ₹ 62.57 Crores.

Aggregate amount of loan given to employees during the year - ₹ 5.76 Crores and the amount outstanding at the balance sheet date - ₹ 9.88 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.

- (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 31st March, 2026 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
		10.61	2013-2016	High Court
Income Tax Act, 1961	Income Tax	56.92	2015-2016, 2018-2023	Commissioner (Appeals)
Central Excise Act 1944, Finance Act, 1994 & Goods and Service Tax Act, 2017	Excise Duty/ Service tax/GST	21.46	2007-2013, 2019-2021	High Court
		17.69	2006-2018	Supreme Court
		5.54	2009-2013, 2018-2021	Tribunal
		24.02	2015-2024	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.

Annexure - A to the Independent Auditor's Report

- (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.
- (b) There is no unspent amounts in respect of ongoing projects that are required to be transferred 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

PLACE : Mumbai
 DATE : 08th May, 2026
 MEMBERSHIP NO. 116279
 UDIN: 26116279UAKKWU9060



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 31st March, 2026 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an internal financial controls with reference to financial statements as at 31st March, 2026, 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

PLACE : Mumbai
DATE : 08th May, 2026

MEMBERSHIP NO. 116279
UDIN: 26116279UAKKWU9060

Standalone Balance Sheet

as at 31st March, 2026

(₹ in Crores)

Particulars	Note No.	As at 31 st March, 2026	As at 31 st March, 2025
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	2	7,297.49	6,834.29
(b) Capital Work-in-Progress	2A	2,472.46	985.11
(c) Investment Property	3	55.61	61.24
(d) Intangible Assets	4	3.43	1.12
(e) Right of Use Assets	4A	17.07	16.75
(f) Financial Assets			
i) Investments	5	1,797.11	1,562.11
ii) Other Financial Assets	6	38.31	105.93
(g) Income tax Assets (Net)	7	24.71	20.79
(h) Other Non-Current Assets	8	874.85	452.95
TOTAL NON-CURRENT ASSETS		12,581.04	10,040.29
2 CURRENT ASSETS			
(a) Inventories	9	1,714.30	1,715.87
(b) Financial Assets			
i) Investments	10	1,327.48	1,702.78
ii) Trade Receivables	11	1,621.59	1,610.88
iii) Cash and Cash Equivalents	12	26.68	56.55
iv) Other Bank Balances	13	3.59	6.01
v) Loans	14	10.25	9.70
vi) Other Financial Assets	15	13.00	90.90
(c) Other Current Assets	16	414.63	326.66
TOTAL CURRENT ASSETS		5,131.52	5,519.35
TOTAL ASSETS		17,712.56	15,559.64
II EQUITY AND LIABILITIES			
EQUITY			
(a) Share Capital	17	38.66	38.66
(b) Other Equity	18	10,927.59	10,345.17
TOTAL EQUITY		10,966.25	10,383.83
LIABILITIES			
1 NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Borrowings	19	888.00	387.30
ii) Lease Liabilities	19A	1.11	1.28
iii) Other Financial Liabilities	20	279.82	20.95
(b) Provisions	21	50.82	43.23
(c) Deferred Tax Liabilities (Net)	22	317.44	456.95
(d) Other Non-Current Liabilities	23	180.37	102.94
TOTAL NON-CURRENT LIABILITIES		1,717.56	1,012.65
2 CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Borrowings	24	3,160.77	2,825.06
ii) Lease Liabilities	24A	1.19	0.35
iii) Trade Payable			
Total outstanding due of Micro and Small Enterprise	25	51.57	29.34
Total outstanding due of creditors Other than Micro and Small Enterprise	25	866.67	716.16
iv) Other Financial Liabilities	26	584.01	301.98
(b) Other Current Liabilities	27	358.53	285.20
(c) Provisions	28	6.01	5.07
TOTAL CURRENT LIABILITIES		5,028.75	4,163.16
TOTAL EQUITY AND LIABILITIES		17,712.56	15,559.64

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: 8th May, 2026

For and on behalf of the Board of Directors

ARVIND PODDAR

Chairman & Managing Director

VIPUL SHAH

Director & Company Secretary

Place: Mumbai

Dated: 8th May, 2026

RAJIV PODDAR

Joint Managing Director

MADHUSUDAN BAJAJ

Sr. President & Director (Commercial) and CFO



Standalone Statement of Profit and Loss

for the year ended 31st March, 2026

(₹ in Crores)

Particulars	Note No.	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
I Revenue From Operations	29	10,819.95	10,412.88
II Other Income	30	248.26	534.55
III Total Income (I+II)		11,068.21	10,947.43
IV Expenses:			
Cost of Materials Consumed	31	5,140.85	4,985.31
Purchases of Stock-in-Trade	32	159.85	133.34
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	33	(51.49)	(55.54)
Employee Benefits Expense	34	521.60	493.55
Finance Cost	35	130.72	125.21
Depreciation and Amortisation Expense	36	763.95	673.53
Other Expenses	37	2,785.91	2,435.74
Total Expenses		9,451.39	8,791.14
V Profit Before Tax (III-IV)		1,616.82	2,156.29
VI Tax Expenses			
Current tax		373.06	472.83
Short/(Excess) provision of earlier years		9.45	-
Deferred tax		12.46	55.09
Total Tax Expenses	38	394.97	527.92
VII Profit After Tax (V-VI)		1,221.85	1,628.37
VIII Other Comprehensive Income			
1 Items that will not be reclassified to profit or loss:			
i) Remeasurements of Defined Benefit Plans		0.98	(5.33)
ii) Income Tax		(0.24)	1.34
iii) Equity instruments through other comprehensive income		91.97	298.30
iv) Income Tax		7.48	(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		(575.04)	(37.60)
ii) Income Tax		144.73	9.46
Total Other Comprehensive Income (1+2)		(330.12)	202.87
IX Total Comprehensive Income (VII+VIII)		891.73	1,831.24
X Earnings per equity share:			
Basic and Diluted	42	63.20	84.23

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: 8th May, 2026

For and on behalf of the Board of Directors

ARVIND PODDAR

Chairman & Managing Director

VIPUL SHAH

Director & Company Secretary

Place: Mumbai

Dated: 8th May, 2026

RAJIV PODDAR

Joint Managing Director

MADHUSUDAN BAJAJ

Sr. President & Director (Commercial) and CFO

Standalone Statement of Changes in Equity

for the year ended 31st March, 2026

(A) EQUITY SHARE CAPITAL

Particulars	No. of Shares	Amount
Balance as at the 1 st April, 2024	19,33,17,190	38.66
Changes in equity share capital	-	-
Balance as at 31 st March, 2025	19,33,17,190	38.66
Changes in equity share capital	-	-
Balance As at 31st March, 2026	19,33,17,190	38.66

(B) OTHER EQUITY

Particulars	Reserves and Surplus		Statement of Other Comprehensive Income		Total Other Equity
	General Reserve	Retained Earnings	Remeasurements of the Net Defined Benefit Plans	Effective portion of Cash Flow Hedges	
Balance as at the 1st April, 2024	5,200.00	3,518.98	(15.40)	119.65	8,823.23
Total Comprehensive					
Profit for the year	-	1,628.37	-	-	1,628.37
Other comprehensive income for the year	-	-	(3.99)	(28.14)	202.87
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 31st March, 2025	5,700.00	4,338.05	(19.39)	91.51	10,345.17
Total Comprehensive					
Profit for the year	-	1,221.85	-	-	1,221.85
Other comprehensive income for the year	-	-	0.74	(430.31)	(330.12)
Transactions with owners of the company					
Interim Dividend on Equity Shares	-	(231.98)	-	-	(231.98)
Dividend on Equity Shares	-	(77.33)	-	-	(77.33)
Transferred to General Reserve	-	(500.00)	-	-	(500.00)
Transferred from Retained Earnings	500.00	-	-	-	500.00
Balance As at 31st March, 2026	6,200.00	4,750.59	(18.65)	(338.80)	10,927.59

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: 8th May, 2026

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 Flows

for the year ended 31st March, 2026

(₹ in Crores)

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before Tax	1,616.82	2,156.29
Adjustment for:		
Depreciation and Amortisation	763.95	673.53
Withdrawal of Provision of Doubtful Loan	-	(0.20)
Decommissioning expenses	(0.07)	0.46
Net mark to market (Gain)/Loss on investments	(79.50)	(89.41)
Income from Investments	(108.15)	(93.82)
Finance Cost	130.72	125.21
Interest Income (including on Investments)	(46.81)	(63.31)
(Profit)/Loss on Sale of Property, Plant and Equipment	(1.07)	(9.64)
Property, Plant and Equipment Discarded (CY ₹ 141)	0.00	1.38
Unrealised Foreign Exchange differences (Gain)/Loss	143.75	(6.72)
Export Incentive on account of EPCG (Benefit)/Utilised	25.37	(23.90)
	828.19	513.58
Operating profit before working capital changes	2,445.01	2,669.87
Adjustment for:		
Trade and other receivables	(65.56)	(83.56)
Other Financial Assets	2.43	(0.63)
Inventories	1.56	(445.34)
Trade and other payables	226.92	91.77
	165.35	(437.76)
Cash generated from operations	2,610.36	2,232.11
Direct taxes paid	(386.42)	(478.89)
Net cash from Operating Activities*	2,223.94	1,753.22
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment	(2,984.65)	(1,480.12)
Sale of Property, Plant and Equipment	4.62	34.50
Purchase of Investments	(2,786.76)	(2,776.03)
Sale of Investments	3,150.01	2,600.00
Inter Corporate Loan Refund received	-	0.20
Interest received	55.05	66.29
Income/Dividend Received on Investments	57.28	78.51
Net cash used in Investing Activities	(2,504.45)	(1,476.65)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds/(Repayment) of Short Term Borrowings (Net)	(600.88)	1,331.64
Proceeds from Long Term Borrowings	3,654.26	2,467.05
Repayment of Long Term Borrowings	(2,386.27)	(3,647.06)
Dividend paid	(309.19)	(309.51)
Lease Liability paid	(1.12)	(0.12)
Finance Cost paid	(106.26)	(109.56)
Net Cash from Financing Activities	250.54	(267.56)
Net Increase/(Decrease) in cash and cash equivalent	(29.97)	9.01
Exchange difference on cash and cash equivalent	0.10	(0.12)
Cash and cash equivalent as at the beginning of the period	56.55	47.66
Cash and cash equivalent as at the end of the period (Refer Note No. 12)	26.68	56.55

*Includes amount spent towards Corporate Social Responsibilities ₹ 44.21 Crores (PY ₹ 21.52 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 STANDALONE FINANCIAL STATEMENTS

As per our report of even date attached

For and on behalf of the Board of Directors

For JAYANTILAL THAKKAR & CO.

ARVIND PODDAR

RAJIV PODDAR

Chartered Accountants

Chairman & Managing Director

Joint Managing Director

(Firm Reg. no. 104133W)

VIRAL A. MERCHANT

VIPUL SHAH

MADHUSUDAN BAJAJ

Partner

Director & Company Secretary

Sr. President & Director (Commercial) and CFO

Membership No.116279

Place: Mumbai

Place: Mumbai

Dated: 8th May, 2026

Dated: 8th May, 2026

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

1 (A) GENERAL INFORMATION

Balkrishna Industries Limited ('the Company') is engaged mainly in the business of manufacturing and selling of "Off-Highway Tyres" (OHT) in the specialist segments such as Agricultural, Industrial & Construction, Earthmovers & Port, Mining, Forestry, Lawn & Garden and All Terrain Vehicles (ATV).

The company is a listed 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).



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

(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 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 recognizes 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 reasonable assurance to receive such revenue is established and recognised as per Ind AS 20.

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.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

The Company has elected to continue with the carrying value of all its property, plant and equipment as recognised in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Any gain or loss on disposal of an item of PPE is recognised in profit and loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on PPE has been provided based on useful life of the assets in accordance with Schedule II to the Companies Act, 2013, on Straight Line Method.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Profit and loss on disposals are determined by comparing proceeds with carrying amount. These are included in 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 to 6 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	30 Years to 60 Years

(g) Intangible assets

Intangible assets comprise application software purchased, which are not an integral part of the related hardware, and are amortized on a straight line 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 capitalized only when it increases the future economic benefits embodied in the specific to which it relates.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

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 amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

(i) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other 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 judgement. 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

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

(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:

- 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 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.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

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.

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.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

De-recognition

- A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:
- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ii. Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

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.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange 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

Exchange contracts entered to hedge highly probable forecast revenues are recorded using the principles of hedge accounting as per Ind AS 109. Such 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

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

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. 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.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

(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 capitalized.

Useful lives of tangible assets and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on management estimate, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalised.

- Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

- Provisions and contingent liabilities

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

- Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO.

They regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(u) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies(Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2026, MCA has notified following Amendment to Ind AS, applicable to the Company w.e.f. 1st April, 2025.

- Ind AS – 21 The Effects of Changes in Foreign Exchange Rates Lack of Exchangeability
- Ind AS 12 - Income Taxes relating to International Tax Reform – Pillar Two Model Rules – Exception to recognition and disclosure of deferred tax.
- Amendments to Ind AS 7 – Cash flow statement and Ind AS 107 – Financial Instrument Disclosures relating to supplier finance arrangements.
- Ind AS 1-Presentation of Financial Statements- Classification of Liabilities as current or non- current and non-current liabilities with covenants.

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its Standalone financial statements.



Notes forming part of the Standalone Financial Statements for the year ended 31st March, 2026

NOTE NO. 2 PROPERTY, PLANT AND EQUIPMENTS AS AT 31ST MARCH, 2026

(₹ in Crores)

Particulars	Gross Block (At Cost)			Depreciation			(Net Block) As at 31 st March, 2026
	Balance As at 1 st April, 2025	Additions/ Adjustment During the year	Deductions During the year	Balance As at 1 st April, 2025	For the Year*	Deductions/ Transfers During the year	Balance As at 31 st March, 2026
Tangible assets							
(a) Freehold Land	150.20	28.85	-	-	-	-	179.05
(b) Buildings	2,219.18	143.97	1.33	454.12	77.74	(0.42)	1,829.54
(c) Plant and Equipment	7,968.83	953.41	3.48	3,449.34	621.06	3.43	4,851.79
(d) Furniture and Fixtures	112.61	1.99	-	72.13	8.67	-	33.80
(e) Vehicles	61.28	11.78	2.98	24.62	6.96	2.13	40.63
(f) Office Equipment	21.22	4.10	-	14.53	2.93	-	7.86
(g) Others:							
Electric Installations	492.40	86.21	0.13	204.02	43.79	0.14	330.81
Air Conditioners	22.69	2.36	-	16.14	2.70	-	6.21
Computer	49.16	7.09	0.29	28.38	10.07	0.29	17.80
Total	11,097.57	1,239.76	8.21	4,263.28	773.92	5.57	7,297.49

*Including Depreciation capitalised ₹ 13.08 Crores

During FY 2025-26, a property previously classified as Investment Property (Gross Block ₹ 3.53 Crores, Accumulated Depreciation ₹ 0.64 Crores and Net Value ₹ 2.89 Crores) was reclassified to 'Buildings' under Property, Plant and Equipment (Ind AS 16) due to a change in use. In accordance with Ind AS 40, this transfer was executed at its historical carrying value under the cost model, with no adjustment to the underlying cost or depreciation bases.

PROPERTY, PLANT AND EQUIPMENTS AS AT 31ST MARCH, 2025

(₹ in Crores)

Particulars	Gross Block (At Cost)			Depreciation			(Net Block) As at 31 st March, 2025
	Balance As at 1 st April, 2024	Additions/ Adjustment During the year	Deductions During the year	Balance As at 1 st April, 2024	For the Year*	Deductions/ Transfers During the year	Balance As at 31 st March, 2025
Tangible Assets:							
(a) Freehold Land	128.97	21.23	-	-	-	-	150.20
(b) Buildings	2,095.75	123.47	0.04	378.88	75.25	0.01	1,765.06
(c) Plant and Equipment	6,919.76	1,087.25	38.18	2,922.83	541.31	14.80	4,519.49
(d) Furniture and Fixtures	111.43	1.20	0.02	61.70	10.45	0.02	40.48
(e) Vehicles	45.16	19.01	2.89	20.79	5.66	1.83	36.66
(f) Office Equipment	20.08	1.25	0.11	12.34	2.29	0.10	6.69
(g) Others:							
Electric Installations	427.88	64.91	0.39	166.14	38.25	0.37	288.38
Air Conditioners	22.77	0.86	0.94	14.57	2.51	0.94	6.55
Computer	31.03	18.55	0.42	21.74	7.04	0.40	20.78
Total	9,802.83	1,337.73	42.99	3,598.99	682.76	18.47	6,834.29

*Including Depreciation capitalised ₹ 11.10 Crores

Notes forming part of the Standalone Financial Statements for the year ended 31st March, 2026

NOTE NO. 2A CAPITAL WORK-IN-PROGRESS AGEING AS AT 31ST MARCH, 2026

Particulars	(₹ in Crores)				
	Less than one year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	2,094.55	276.07	33.16	68.68	2,472.46
Project temporarily suspended	-	-	-	-	-
Total	2,094.55	276.07	33.16	68.68	2,472.46

CAPITAL WORK-IN-PROGRESS AGEING AS AT 31ST MARCH, 2025

Particulars	(₹ in Crores)			
	Less than one year	1-2 Years	2-3 Years	More than 3 Years
Project in Progress	704.38	142.00	97.08	41.65
Project temporarily suspended	-	-	-	-
Total	704.38	142.00	97.08	985.11

There are no projects which have exceeded its planned cost and timelines as compared to its original plan.

NOTE NO. 3 INVESTMENT PROPERTY AS AT 31ST MARCH, 2026

Particulars	(₹ in Crores)			
	Gross Block (At Cost)		Depreciation	
	Balance As at 1 st April, 2025	Additions/Adjustment During the year	Deductions During the year	Balance As at 31 st March, 2026
Buildings	72.10	-	5.28	66.82
Total	72.10	-	5.28	66.82
	Balance As at 1 st April, 2025	For the Year	Deductions/Transfers During the year	Balance As at 31 st March, 2026
Buildings	72.10	1.19	0.84	72.45
Total	72.10	1.19	0.84	73.44

INVESTMENT PROPERTY AS AT 31ST MARCH, 2025

Particulars	(₹ in Crores)			
	Gross Block (At Cost)		Depreciation	
	Balance As at 1 st April, 2024	Additions/Adjustment During the year	Deductions During the year	Balance As at 31 st March, 2025
Buildings	74.08	-	1.98	72.10
Total	74.08	-	1.98	72.10
	Balance As at 1 st April, 2024	For the Year	Deductions/Transfers During the year	Balance As at 31 st March, 2025
Buildings	74.08	1.28	0.25	75.11
Total	74.08	1.28	0.25	75.61

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

i) Amounts recognised in profit and loss for investment properties

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Rental income derived from investment properties	6.71	6.76
Direct operating expenses (including repair and maintenance) generating rental income	(0.43)	(0.10)
Direct operating expenses (including repair and maintenance) not generating rental income	(0.10)	(0.36)

ii) Fair value

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Investment properties	160.53	168.34

Estimation of fair value

The company obtains independent valuations for its investment properties from an independent 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 31ST MARCH, 2026

Particulars	Gross Block (At Cost)			Amortisation		(Net Block)	
	Balance As at 1 st April, 2025	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 st March, 2026	For the Year During the year	Balance As at 31 st March, 2026	As at 31 st March, 2026
Computer software	7.66	3.04	-	10.70	0.73	7.27	3.43
Trademark	0.10	-	-	0.10	-	0.10	-
Total	7.76	3.04	-	10.80	0.73	7.37	3.43

INTANGIBLE ASSETS AS AT 31ST MARCH, 2025

Particulars	Gross Block (At Cost)			Amortisation		(Net Block)	
	Balance As at 1 st April, 2024	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 st March, 2025	For the Year During the year	Balance As at 31 st March, 2025	As at 31 st March, 2025
Computer software	6.68	0.98	-	7.66	0.36	6.54	1.12
Trademark	0.10	-	-	0.10	-	0.10	-
Total	6.78	0.98	-	7.76	0.36	6.64	1.12



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 4A RIGHT OF USE ASSETS

The Company has lease contracts for land and buildings 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.

Set out below are the carrying amounts of rights-of-use assets recognised and the movement during the period: (₹ in Crores)

Particulars	Land	Building	Total
As at 1st April, 2024	15.36	-	15.36
Addition/(Deduction)- Net	-	1.71	1.71
Less: Depreciation expenses*	0.22	0.11	0.33
As at 1st April, 2025	15.14	1.60	16.75
Addition/(Deduction)- Net	-	1.60	1.60
Less: Depreciation expenses*	0.22	1.05	1.27
As at 31st March, 2026	14.92	2.15	17.07

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 st March, 2026	As at 31 st March, 2025
Opening Balance	1.63	-
Addition/(Deduction)- Net	1.60	1.71
Accretion of Interest	0.19	0.04
Less: Payments	1.12	0.12
Closing Balance	2.30	1.63
Current	1.19	0.35
Non-Current	1.11	1.28

The following are the amounts recognised in profit and loss: (₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Depreciation expenses of right of use assets*	1.27	0.33
Interest expenses on lease liabilities	0.19	0.04
Expenses relating to short term lease and low value leased (included in other expenses)	6.13	4.53
Total amount recognised in profit and loss	7.59	4.90

The Company had total cash outflow for lease of ₹ 7.25 Crores in 31st March, 2026 (PY ₹ 4.65 Crores)

*Including depreciation capitalised ₹ 0.08 Crores (PY ₹ 0.08 Crores)



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 5 INVESTMENTS (NON-CURRENT)

(₹ in Crores)

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
A Investments at Cost				
a) Investment in Equity Shares				
Unquoted (Fully paid up Shares)				
i) In 100% Subsidiaries Companies				
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	0.02	5,000	0.02
BKT TIRES INC	6,000	0.37	6,000	0.37
BKT NETHERLANDS B.V. (Incorporated on 28 th May, 2025)	10,000	0.10	-	-
		0.63		0.53
b) Investment in Preference Shares				
Unquoted				
0.001% Series C Compulsorily Convertible Non-Cumulative Preference Shares of Vay Network Services Private Limited ₹ 2 each	-	-	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
0.01% Series A Compulsorily Convertible Non-Cumulative Preference Shares of Altigreen Propulsion Labs Private Limited of ₹ 100 each	-	-	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
		-		20.97
B Investment carried at fair value through Other Comprehensive Income				
Unquoted				
a) Investment in Equity Shares				
National Stock Exchange of India Limited of ₹ 1 each	32,07,150	593.32	32,07,150	500.32
BDR Pharmaceuticals International Private Limited of ₹ 10 each	1,094	13.85	1,094	15.24
Care Health Insurance Limited of ₹ 10 each	4,78,795	5.60	4,78,795	7.90
		612.77		523.46
b) Investment in Preference Shares				
0.001% Series C Compulsorily Convertible Non-Cumulative Preference Shares of Vay Network Services Private Limited ₹ 2 each	11,190	1.31	-	-
0.0001% Series A&B Compulsorily Convertible Preference Shares of Newspace Research & Technologies Private Limited of ₹ 10 each	2,45,120	18.88	-	-
0.01% Series A Compulsorily Convertible Non-Cumulative Preference Shares of Altigreen Propulsion Labs Private Limited of ₹ 100 each	1,356	-	-	-

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
0.001% Series C Compulsorily Convertible Non-Cumulative Preference Shares of Globalbees Brands Private Limited of ₹ 5 each	104	3.42	-	-
		23.61		-
C Investment carried at Amortised cost				
a) Investment in Preference Shares				
Unquoted (Fully paid up Shares)				
9.58% Preference Shares of Mercedes-Benz Financial services India Private Limited of ₹ 10,00,000 each	300	30.65	200	20.66
		30.65		20.66
Quoted				
b) Investment in Tax Free Bonds				
7.36% IIFC Tax Free Bond of ₹ 1,000 each	4,00,000	40.53	4,00,000	40.83
		40.53		40.83
c) Investment in Government Bonds				
7.18% Government of India Sovereign Bond ₹ 100 each	15,00,000	14.81	15,00,000	14.79
7.10% Government of India Sovereign Bond ₹ 100 each	5,00,000	5.12	5,00,000	5.13
7.23% Government of India Sovereign Bond ₹ 100 each	5,00,000	5.18	5,00,000	5.20
		25.11		25.12
d) Investment in Perpetual Bonds				
7.55% SBI Perpetual Bond of ₹ 1,00,00,000 each	-	-	5	4.98
8.70% HDB Perpetual Bond of ₹ 10,00,000 each	50	5.02	50	5.02
9.50% Cholamandalam Investment & Finance Perpetual Bond of ₹ 1,00,00,000 each	16	16.24	16	16.27
		21.26		26.27
D Investment carried at fair value through Profit and Loss				
a) Investment in Non-Convertible Debenture/Market Linked Debentures				
Quoted				
Nuvama Wealth Finance Limited of ₹ 1,00,000 each	500	6.06	500	5.40
Shriram Finance Limited of ₹ 1,00,000 each	1,500	16.56	1,500	16.31
MAS Financial Services Limited of ₹ 1,00,000 each	-	-	1,000	9.87
Alpha Alternatives Financial Services Private Limited of ₹ 1,00,000 each	1,274	16.98	424	5.74
360 One Prime Limited of ₹ 1,00,000 each	1,000	12.59	1,000	12.30
9.35% Telangana State Industrial Infrastructure Corporation Limited of ₹ 1,00,000 each	-	-	1,000	10.34
		52.19		59.96



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
b) Investment in Alternate Investment Fund				
Unquoted				
360 One Special Opportunities Fund Series 7 of ₹ 10 each	-	-	1,93,31,093	6.03
360 One India Private Equity Fund - Series 1A of ₹ 10 each	45,90,379	13.92	45,95,852	11.53
360 One Special Opportunities Fund Series 8 of ₹ 10 each	45,80,866	7.17	45,98,258	6.85
360 One Special Opportunities Fund of fund 1 of ₹ 10 each	90,27,646	13.59	90,27,646	12.65
360 One Special Opportunities Fund Series 10 of ₹ 10 each	49,31,343	8.48	49,34,458	8.08
360 One Commercial Yield Fund of ₹ 10 each	94,76,914	11.12	95,06,313	10.89
Ascetis Credit - India Fund III of ₹ 100 each	12,35,623	14.03	13,81,500	15.05
Ascetis Credit Select Short Term Income Fund I of ₹ 1,00,000 each	2,976	31.31	1,590	16.32
Ascetis Credit - India Fund IV of ₹ 100 each	25,44,500	25.45	-	-
Chiratae Ventures India Fund IV of ₹ 1,00,000 each	958	12.59	947	13.78
Chiratae Ventures India Fund V of ₹ 1,00,000 each	255	2.38	120	1.04
TVS Shriram Growth Fund 3 of ₹ 1,000 each	97,445	12.16	95,310	13.62
TVS Shriram Growth Fund 4 of ₹ 1,000 each	16,000	1.22	10,000	1.00
Inflexor Technology Fund of ₹ 1,00,000 each	393	4.24	346	3.24
Blume Ventures Fund IX of ₹ 100 each	4,21,681	8.26	4,72,878	10.02
Blume Ventures Fund IV of ₹ 100 each	3,70,000	4.10	3,00,000	3.30
Xponentia Opportunities Fund of ₹ 1,00,000 each	290	3.91	399	6.47
Aventus Future Leader Fund II of ₹ 1,00,000 each	426	6.26	500	6.36
Aventus Future Leader Fund III of ₹ 1,00,000 each	360	3.70	110	1.05
Multiples Private Equity Fund III of ₹ 100 each	4,97,034	6.36	4,94,077	5.68
Multiples Private Equity Fund IV of ₹ 100 each	5,73,820	5.84	3,88,815	3.78
Six Sense India Opportunities III of ₹ 1,000 each	1,78,522	27.18	1,87,774	26.04
3One4 Capital - Fund III of ₹ 1 each	12,36,24,593	24.20	10,69,27,967	16.72
Trifecta Venture Debt Fund III of ₹ 100 each	19,03,544	18.84	19,88,200	19.99
Sageone - Flagship Growth 2 Fund of ₹ 1,000 each	97,836	16.53	97,836	14.57
White Oak India Equity Fund V of ₹ 10 each	-	-	99,46,812	13.93
Alchemy Leaders Of Tomorrow Fund of ₹ 100 each	10,05,753	17.07	9,26,916	14.59
Aventus Structured Credit Fund II of ₹ 1,00,000 each	1,076	11.22	2,042	21.32

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
Aventus Structured Credit Fund III of ₹ 1,00,000 each	3,180	33.52	375	3.76
Innoven Capital India Fund of ₹ 100 each	6,58,046	6.30	10,00,000	10.00
Fireside Ventures Investment Fund III of ₹ 1,00,000 each	200	3.93	200	2.01
Fireside Ventures Investment Fund IV of ₹ 1,00,000 each	89	0.75	-	-
Lighthouse India Fund IV of ₹ 1,00,000 each	320	2.91	221	2.25
Rental Yield Plus of ₹ 10,000 each	10,515	11.73	6,998	7.00
JM Financial Credit Opportunities Fund I of ₹ 1,00,000 each	798	8.70	798	8.32
Sundaram Alternative Opportunities Series - High Yield Secured Real Estate Fund IV of ₹ 1,00,000 each	1,500	15.00	1,050	10.50
Build India Infrastructure Fund of ₹ 100 each	4,57,634	5.48	49,998	0.52
ASK Real Estate Affordable Housing Fund of ₹ 1,00,000 each	1,750	17.50	125	1.25
Alteria Capital Fund II of ₹ 100 each	7,65,406	6.87	11,78,162	10.99
		423.82		340.50
c) Investment in Mutual fund				
Quoted				
Bharat Bond ETF April 2030 of ₹ 1,000 each	10,00,000	154.87	10,00,000	147.39
Bharat Bond ETF April 2031 of ₹ 1,000 each	17,50,233	241.79	17,50,233	230.76
Bharat Bond ETF April 2033 of ₹ 1,000 each	2,99,985	37.64	2,99,985	36.25
		434.30		414.40
Unquoted				
Edelweiss Bharat Bond FOF April 2032 of ₹ 10 each	2,96,92,960	38.34	2,96,92,960	36.73
Edelweiss CRISIL IBX 50:50 Gilt Plus SDL April 2037 Index Fund of ₹ 10 each	4,15,29,107	53.83	4,15,29,107	52.68
Edelweiss Liquid Fund of ₹ 1,000 each	1,12,521	40.07	-	-
		132.24		89.41
Total Non-Current Investments		1,797.11		1,562.11
Aggregate amount of quoted investments and market value thereof		573.39		566.57
Aggregate amount of unquoted investments		1,223.72		995.54



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 6 OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Derivative Assets	17.08	84.00
Security Deposits	19.93	19.31
Bank deposits more than 12 months maturity		
In Margin	1.30	2.62
Fixed deposits (CY ₹ 5,097, PY ₹ 5,097)	0.00	0.00
	38.31	105.93

NOTE NO. 7 INCOME TAX ASSETS (NET)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Advance Payments of Taxes and Tax deducted at source (Net of Provisions)	24.71	20.79
	24.71	20.79

NOTE NO. 8 OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(a) Capital Advances	873.94	450.95
(b) Others loans and advances		
VAT/Service Tax Receivable	-	0.41
Prepaid expenses	0.91	1.59
	874.85	452.95

NOTE NO. 9 INVENTORIES

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(At lower of Cost and Net Realisable Value)		
(a) Raw materials (including Goods in transit)	829.05	919.61
(b) Work-in-Progress	209.29	187.88
(c) Finished Goods	513.78	486.06
(d) Stock-in-Trade	21.72	19.36
(e) Stores and Spares	121.36	88.55
(f) Others - Packing Materials and Fuel	19.10	14.41
	1,714.30	1,715.87

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 10 INVESTMENTS (CURRENT)

(₹ in Crores)

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
A Investment at Cost				
Investment in Preference Shares				
Unquoted (Fully paid up Shares)				
Non-Convertible Non-Cumulative Redeemable Preference Shares Music Broadcast of ₹ 10 each	-	-	30,000	0.30
		-		0.30
B Investment carried at fair value through Profit and Loss				
a) Investment in Non-Convertible Debenture /Market Link Debentures				
Quoted				
Shriram Finance Limited of ₹ 1,00,000 each	-	-	500	5.15
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
Avanse Financial Services Limited of ₹ 10,00,000 each	-	-	100	10.75
Krazybee Services Private Limited of ₹ 40,000 each	-	-	769	1.53
Spandana Sphoorty Financial Limited of ₹ 10,00,000 each	-	-	67	1.34
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
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
		-		187.04
Unquoted				
Avendus Finance Private Limited of ₹ 10,00,000 each	-	-	300	17.69
		-		17.69
b) Investment in Equity instruments				
Quoted				
Mindspace Business Part REIT of ₹ 10 each	2,44,957	11.00	2,52,800	9.47



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
National Highways Infra Trust INVIT of ₹ 101 each	18,00,000	29.52	18,00,000	24.03
Energy Infrastructure Trust INVIT	22,25,000	17.35	10,00,000	8.48
Nexus Select Trust REIT	-	-	9,93,510	12.94
India Grid Trust INVIT of ₹ 100 each	-	-	15,18,060	21.39
Indus Infra Trust INVIT of ₹ 100 each	16,15,922	19.95	16,15,922	17.36
NDR INVIT of ₹ 100 each	10,00,000	12.40	10,00,000	10.80
Intelligent Supply Chain Infrastructure Trust INVIT	22,00,000	27.50	22,00,000	24.20
Cube Highway Trust INVIT of ₹ 100 each	24,00,000	35.04	24,00,000	30.00
Capital Infra Trust INVIT of ₹ 99 each	-	-	21,38,546	18.93
Knowledge Realty Trust REIT	9,88,550	11.23	-	-
Maple Infrastructure Trust REIT	10,30,200	15.00	-	-
Nxt-Infra Trust INVIT of ₹ 100 each	10,00,000	10.00	10,00,000	11.00
		188.99		188.60
c) In Mutual Fund				
Quoted				
ICICI Prudential Mutual Fund Nifty 50 ETF of ₹ 10 each	-	-	1,78,544	4.68
Nippon India Mutual Fund ETF Nifty 50 Bees of ₹ 1 each	97,88,246	248.07	95,81,446	252.19
Nippon India Mutual Fund ETF Gold Bees of ₹ 1 each	60,15,497	72.90	60,15,497	44.61
ICICI Prudential Mutual Fund Gold ETF of ₹ 1 each	67,72,054	84.88	55,47,920	42.47
ICICI Prudential Mutual Fund Silver ETF of ₹ 10 each	5,47,000	12.32	5,47,000	5.54
ICICI Prudential Mutual Fund Metal ETF of ₹ 1 each	2,00,000	0.22	-	-
		418.39		349.49
Unquoted				
Aditya Birla Sun Life Liquid Fund of ₹ 100 each	9,00,342	40.07	-	-
Axis Liquid Fund of ₹ 1,000 each	1,30,752	40.07	-	-
HSBC Liquid Fund of ₹ 1,000 each	-	-	19,419	5.02
HDFC Ultra Short Term Fund of ₹ 10 each	1,85,70,668	30.07	-	-
ICICI Prudential Saving Fund of ₹ 10 each	5,20,674	30.06	-	-
ICICI Prudential Gilt Fund of ₹ 10 each	-	-	6,37,519	6.92
ICICI Prudential PSU Equity Fund of ₹ 10 each	-	-	61,87,809	12.53
ICICI Prudential Multi Assets Fund of ₹ 100 each	-	-	3,54,013	27.98
ICICI Prudential Equity Saving Fund of ₹ 10 each	-	-	24,38,902	5.70
ICICI Prudential Pharma Healthcare and Diagnostic Fund of ₹ 10 each	-	-	15,42,657	6.00
ICICI Prudential Manufacturing Fund of ₹ 10 each	-	-	43,99,738	14.71

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
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	187.76	2,66,96,984	184.49
SBI Magnum Income Fund of ₹ 10 each	-	-	19,56,921	14.62
SBI Banking & Financial Services Fund of ₹ 10 each	-	-	14,39,626	6.19
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
UTI Ultra Short Duration Fund of ₹ 1,000 each	63,162	30.06	-	-
Tata Arbitrage Fund of ₹ 10 each	-	-	61,98,549	9.20
Tata Money Market Fund of ₹ 1,000 each	-	-	21,326	10.06
Tata Ultra Short Term Fund of ₹ 10 each	1,92,58,696	30.07	-	-
Canara Robeco Liquid Fund of ₹ 1,000 each	-	-	19,375	6.02
Bajaj Finserv Money Market Fund of ₹ 1,000 each	-	-	44,171	5.03
Kotak Arbitrage Fund of ₹ 10 each	-	-	39,01,016	15.35
Kotak Corporate Bond Fund of ₹ 1,000 each	-	-	13,639	5.25
Kotak Saving Fund of ₹ 10 each	63,91,499	30.08	22,81,501	10.05
Edelweiss Low Duration Fund of ₹ 1,000 each	-	-	79,996	8.04
DSP Multi Asset Allocation Fund of ₹ 10 each	77,27,350	12.07	77,27,350	10.16
DSP Liquidity Fund of ₹ 1,000 each	1,01,690	40.07	-	-
Jio BlackRock Liquid Fund of ₹ 1,000 each	3,83,617	40.07	-	-
Parag Parikh Liquid Fund of ₹ 1,000 each	2,62,999	40.07	-	-
Nippon India Arbitrage Fund of ₹ 10 each	-	-	61,18,418	17.25
Nippon India Liquid Fund of ₹ 1,000 each	14,898	10.05	-	-
Nippon India Nivesh Lakshya Fund of ₹ 10 each	8,66,67,201	154.54	8,66,67,201	156.80
		715.11		570.04
d) Investment in Alternate Investment Fund				
Unquoted				
360 One India Housing Fund 3 of ₹ 10 each	-	-	1,99,84,241	27.72
ASK Golden Decade Fund of ₹ 1,000 each	-	-	1,46,028	17.59



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
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
		-		111.37
C Investment carried at Amortised cost				
Quoted				
(a) Investment in Perpetual Bond				
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
8.75% SBI Perpetual Bond of ₹ 10,00,000 each	5	4.99	-	-
		4.99		111.48
(b) Investment in Tax Free Bond				
Quoted				
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
		-		83.93
(c) Investment in Commercial Paper				
Quoted				
Motilal Oswal Financial Services Limited of ₹ 5,00,000 each	-	-	400	18.91
		-		18.91
Unquoted				
JM Financial Services Limited of ₹ 5,00,000 each	-	-	700	34.83
Nuvama Wealth Finance Limited of ₹ 5,00,000 each	-	-	400	29.10
		-		63.93
		1,327.48		1,702.78
Aggregate amount of quoted investments and Market value thereof		612.37		939.45
Aggregate amount of Unquoted investments		715.11		763.33

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 11 TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Trade receivable Considered good - Unsecured [#] [§]	1,621.59	1,610.88
	1,621.59	1,610.88

[#]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 st March, 2026	As at 31 st March, 2025
Balances with banks	25.41	56.33
Cash on hand	0.40	0.22
Remittance in transit	0.87	-
	26.68	56.55

NOTE NO. 13 OTHER BANK BALANCES

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Unpaid Dividends	2.92	2.81
Margin Money (Including Fixed Deposit) [#]	0.67	3.20
	3.59	6.01

[#](Held against guarantee and other commitments)

NOTE NO. 14 LOANS

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Unsecured		
Loans and advances to other than related parties		
Loans receivable - Considered good	-	-
Loans receivable which have significant increase in credit risk	12.22	12.22
Loans receivable - Credit impaired	-	-
	12.22	12.22
Less: Provision for loans which have significant increase in credit risk	12.22	12.22
	-	-
Loans and advances to employees (considered good)	9.23	9.70
Loans to related party [*]	1.02	-
	10.25	9.70

^{*}Refer Note no. 43

NOTE NO. 15 OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Derivative Assets	5.55	75.12
Interest accrued on Investments	1.74	9.88
Interest accrued on Deposits and Loans	1.21	1.31
Dividend/Income accrued on Investments	3.40	4.04
Security Deposits	1.10	0.55
	13.00	90.90



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 16 OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Advance Payment to Suppliers	208.96	171.08
GST/Excise/Sales Tax/Custom Duty etc. Receivables	182.16	128.60
Prepaid Expenses	23.51	26.98
	414.63	326.66

NOTE NO. 17 SHARE CAPITAL

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Authorised:		
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
	91.75	91.75
Issued Subscribed and fully paid up:		
19,33,17,190 Equity Shares of ₹ 2 each fully paid up	38.66	38.66
	38.66	38.66

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: (₹ in Crores)

Equity Share	As at 31 st March, 2026		As at 31 st March, 2025	
	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
Balance at the end of the year	19,33,17,190	38.66	19,33,17,190	38.66

Shareholder's holding more than 5% Shares in the Company

(₹ in Crores)

Name of Shareholders	As at 31 st March, 2026		As at 31 st March, 2025	
	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	1,77,40,832	9.18	1,07,71,019	5.57

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	Rishabh 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	-
Total		11,26,90,200	58.29	-

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 18 OTHER EQUITY

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
a) Reserves and Surplus		
(i) Other Reserve (General Reserve)		
Opening Balance	5,700.00	5,200.00
Add: Transferred from Profit and Loss account	500.00	500.00
Closing Balance	6,200.00	5,700.00
(ii) Retained Earnings		
Opening Balance	4,338.05	3,518.98
Add: Net Profit for the current year	1,221.85	1,628.37
Less: Interim Dividend	231.98	231.98
Less: Dividend on equity shares	77.33	77.32
Less: Transfer to General Reserve	500.00	500.00
Closing Balance	4,750.59	4,338.05
b) Other Comprehensive Income (OCI)		
(i) Remeasurements of the Net Defined Benefit Plans		
Opening Balance	(19.39)	(15.40)
Movement during the year	0.74	(3.99)
Closing Balance	(18.65)	(19.39)
(ii) Effective portion of Cash Flow Hedges		
Opening Balance	91.51	119.65
Movement during the year	(430.31)	(28.14)
Closing Balance	(338.80)	91.51
(iii) Equity Instruments through Other Comprehensive Income		
Opening Balance	235.00	-
Movement during the year	99.45	235.00
Closing Balance	334.45	235.00
	10,927.59	10,345.17

General Reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

Retained Earnings

Retained earnings includes the Company's cumulative earnings and losses respectively.

Remeasurements of the Net Defined Benefit Plans

Remeasurements of defined benefit liability comprises actuarial gains and losses and return on plan assets (excluding interest income).

Cash Flow Hedging Reserve

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale. For hedging foreign currency risk, the Company mainly 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.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 19 BORROWINGS (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Unsecured - At Amortised cost		
<u>Non-Convertible Debentures</u>		
7.20% Maturing on 23 rd March, 2029	270.00	-
7.38% Maturing on 22 nd March, 2030	270.00	-
7.55% Maturing on 21 st March, 2031	210.00	-
<u>Term Loan from Standard Chartered Bank</u>	18.00	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>Term Loan from Kotak Bank</u>	120.00	-
The Repayment schedule will start from October 2028 in 20 quarterly installments, First 16 installments of ₹ 0.9 Crores and remaining 4 installments of ₹ 26.4 Crores. Rate of Interest is 9%		
Secured - At Amortised cost		
<u>External Commercial Borrowing</u>	-	369.30
External Commercial Borrowing of EURO 60 Million from SMBC (Singapore), the same is secured by first charge by way of hypothecation on all the movable assets of tyre plant of Bhuj, Gujarat. Rate of Interest is 3 months EURIBOR plus spread of 0.52%. The repayment has started from December 2025 in six quarterly equal installments of euro 10 Million each.		
	888.00	387.30

(Refer Note no. 48 for details of securities provided)

NOTE NO. 19A LEASE LIABILITIES (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Lease Liabilities	1.11	1.28
	1.11	1.28

NOTE NO. 20 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Distributors/Dealers Deposits	0.56	0.48
Derivative Liability	279.26	20.47
	279.82	20.95

NOTE NO. 21 PROVISIONS (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Provision for employee benefits		
Gratuity	45.02	37.54
Leave Encashment	5.42	5.23
Provision for Decommissioning of Assets	0.38	0.46
	50.82	43.23

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 22 DEFERRED TAX LIABILITIES (NET)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Net Deferred Tax Liabilities	317.44	456.95
	317.44	456.95

(Refer Note no. 38(ii))

NOTE NO. 23 OTHER NON-CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Deferred Income (Export Incentive)	180.35	102.89
Revenue received in advance	0.02	0.05
	180.37	102.94

NOTE NO. 24 BORROWINGS (CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Unsecured		
From Banks	2,724.75	2,490.28
Current maturity of long term debt		
Secured		
From Banks (ECB)	436.02	184.65
Unsecured		
Non-Convertible Debentures	-	150.00
From Others	-	0.13
	3,160.77	2,825.06

(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 st March, 2026	As at 31 st March, 2025
Lease Liabilities	1.19	0.35
	1.19	0.35

NOTE NO. 25 TRADE PAYABLES (CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Trade Payables (including Acceptances) due to:		
Total outstanding due of Micro and Small Enterprise	51.57	29.34
Total outstanding due of creditors Other than Micro and Small Enterprise	866.67	716.16
	918.24	745.50

(Refer Note no. 44)



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 26 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Interest accrued	4.09	3.11
Unpaid Dividends	2.92	2.81
Derivative liabilities	210.75	16.36
Capital Creditors	267.54	154.08
Others	98.71	125.62
	584.01	301.98

NOTE NO. 27 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Revenue received in advance	119.59	84.07
Security Deposits	57.09	59.43
Statutory dues	181.85	141.70
	358.53	285.20

NOTE NO. 28 PROVISIONS (CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Provision for employee benefits		
Leave encashment	6.01	5.07
	6.01	5.07

NOTE NO. 29 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Sale of Products	10,726.49	10,323.18
Other Operating Revenue:		
Export Incentives	52.33	53.77
Scrap Sales	27.01	26.54
Others	14.12	9.39
	93.46	89.70
Total Revenue from Operations	10,819.95	10,412.88
DISAGGREGATION OF REVENUE		
Revenue based on Geography		
Export	7,045.59	7,368.66
Domestic [#]	3,774.36	3,044.22
Revenue from operations	10,819.95	10,412.88
[#] (Including export incentive)		
Reconciliation of Revenue from operations with contract price		
Contract Price	11,106.74	10,606.16
Less:		
Sales returns	20.47	10.20
Sales Incentives and Bonus	225.24	150.36
Others	41.08	32.72
	286.79	193.28
Total Revenue from operations	10,819.95	10,412.88

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 31st March, 2026

NOTE NO. 30 OTHER INCOME

(₹ in Crores)

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Interest Income on:		
Non-Current Investments	18.72	33.31
Current Investments	27.15	28.59
Deposits/Loans and Advances/Income tax refund	0.94	1.41
	46.81	63.31
Net gain on foreign currency transaction and translation	-	267.89
Income from Non-current Investment	39.39	67.25
Dividend Income on Investments	17.24	11.94
Net gain/(loss) on sale of Non-Current Investments	42.54	1.35
Net mark to market gain/(loss) on Investments	79.50	89.41
Net gain on sale of Current Investments	8.98	13.29
Profit on sale of Property Plant and Equipment	1.07	9.64
Withdrawal of Provision of Doubtful Loan	-	0.20
Other non-operating income	12.73	10.27
	248.26	534.55

NOTE NO. 31 COST OF MATERIAL CONSUMED

(₹ in Crores)

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Raw Material Consumed	5,140.85	4,985.31
	5,140.85	4,985.31

NOTE NO. 32 PURCHASE OF STOCK IN TRADE

(₹ in Crores)

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Purchase of Traded Goods	159.85	133.34
	159.85	133.34

NOTE NO. 33 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Crores)

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Opening Inventories:		
Work-in-Progress	187.88	172.72
Stock-in-Trade	19.36	17.95
Finished Goods	486.06	447.09
	693.30	637.76
Less:		
Closing Inventories:		
Work-in-Progress	209.29	187.88
Stock-in-Trade	21.72	19.36
Finished Goods	513.78	486.06
	744.79	693.30
Net (Increase)/Decrease in Inventories	(51.49)	(55.54)



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 34 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Salaries and wages	479.37	463.79
Contribution to provident and other funds	29.49	18.62
Staff welfare expenses	12.74	11.14
	521.60	493.55

NOTE NO. 35 FINANCE COST*

(₹ in Crores)

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Interest expenses	103.64	106.20
Other borrowing cost	3.60	2.42
Exchange difference regarded as an adjustment to borrowing cost	23.29	16.55
Interest on Lease Liability	0.19	0.04
	130.72	125.21

*Net of borrowing cost capitalised ₹ 4.24 Crores. (PY ₹ 9.76 Crores) The rate used to determine the amount of borrowing cost eligible for capitalization was 9%.

NOTE NO. 36 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Crores)

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Depreciation and Amortisation	762.76	673.28
Depreciation of Right-of-use assets	1.19	0.25
	763.95	673.53

NOTE NO. 37 OTHER EXPENSES

(₹ in Crores)

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Consumption of stores and spare parts	228.71	268.24
Packing material consumed	34.30	29.55
Power and fuel (Net)	271.42	274.68
Freight and forwarding	490.94	668.29
Labour/Job Charges	266.83	258.86
Water Charges	12.69	11.51
Repairs and Maintenance to Plant & Machinery	42.68	38.60
Repairs and Maintenance to Building	40.80	40.08
Repairs and Maintenance to Others	22.80	25.89
Insurance Charges	39.09	26.84
Rates and Taxes excluding taxes on income (net)	145.06	43.99
Rent	6.13	4.53
Legal and Professional charges	117.90	81.44
Advertisement, Publicity, Sales Promotion and Marketing Service expenses	666.13	560.50
Commission	4.94	4.25
Travelling Expenses	26.47	26.43
Directors Meeting Fees	0.70	0.53
Loss on sale of Property Plant and Equipment Discarded (CY ₹ 141)	0.00	1.38
Interest to Others	0.23	0.17
Net Loss on foreign currency transaction and translation	289.74	-
Contribution towards CSR expenses (Refer Note no.51)	34.04	32.94
Miscellaneous expenses	44.31	37.04
	2,785.91	2,435.74

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 38

i) Tax Reconciliation

(a) The Income Tax expense consists of the followings:

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Current income tax	373.06	472.83
Short/(Excess) provision of earlier year	9.45	-
Deferred tax expense	12.46	55.09
Tax expense for the year	394.97	527.92

(b) Amounts recognised in Other Comprehensive Income

(₹ in Crores)

Particulars	Year ended 31 st March, 2026			Year ended 31 st March, 2025		
	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	0.98	(0.24)	0.74	(5.33)	1.34	(3.99)
(ii) Remeasurement of equity instruments through OCI	91.97	7.48	99.45	298.30	(63.30)	235.00
b) Items that will be reclassified to Profit or Loss						
(i) Effective portion of Cash flow Hedges	(575.04)	144.73	(430.31)	(37.60)	9.46	(28.14)
	(482.09)	151.97	(330.12)	255.37	(52.50)	202.87

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 st March, 2026	Year ended 31 st March, 2025
Profit before tax	1,616.82	2,156.29
Indian statutory income tax rate (%)	25.168%	25.168%
Expected income tax expenses	406.92	542.69
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expenses:-		
Income exempt from tax	(1.05)	(2.22)
Deduction under Income tax Act	(4.34)	(3.01)
Impact of different tax rates	(12.81)	(3.38)
Permanent Difference	3.83	(0.75)
Effect of Current tax Related to Earlier years	9.45	-
Others	(7.03)	(5.41)
Total Income Tax expenses	394.97	527.92
Effective Tax Rate	24.429%	24.483%



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

ii) Deferred Tax Disclosure

(a) Movement in deferred tax balances

(₹ in Crores)

Particulars	Net balance 1 st April, 2025	Recognised in Profit or Loss	Recognised in OCI	As at 31 st March, 2026
				Net Deferred tax assets/ (liabilities)
Property, Plant and Equipment	(303.04)	(5.20)	-	(308.24)
Investments	(74.08)	(11.85)	-	(85.93)
Employee Benefits	13.33	2.42	(0.24)	15.51
Equity Instruments	(63.30)	-	7.48	(55.82)
Cash Flow Hedge	(30.79)	-	144.73	113.94
Provision for Doubtful Advances	3.10	-	-	3.10
Other (Net)	(2.17)	2.17	-	-
Deferred tax assets/(liabilities)	(456.95)	(12.46)	151.97	(317.44)

(b) Movement in deferred tax balances

(₹ in Crores)

Particulars	Net balance 1 st April, 2024	Recognised in Profit or Loss	Recognised in OCI	As at 31 st 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)
Deferred tax assets/(liabilities)	(349.36)	(55.09)	(52.50)	(456.95)

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.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

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 st March, 2026							
	Carrying amount				Fair value			
	Fair value through Profit and Loss	Fair value through Other Comprehensive Income	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:								
Cash and cash equivalents (Including other bank balances)	-	-	30.27	30.27	-	-	-	-
Investments-								
Mutual Fund	1,700.04	-	-	1,700.04	852.69	847.35	-	1,700.04
Debentures	52.19	-	-	52.19	52.19	-	-	52.19
Equities	188.99	612.77	-	801.76	188.99	-	612.77	801.76
Preference shares, bonds and commercial papers	-	23.61	122.54	146.15	-	-	23.61	23.61
Alternate Investment Fund	423.82	-	-	423.82	-	423.82	-	423.82
Loans	-	-	10.25	10.25	-	-	-	-
Trade receivables	-	-	1,621.59	1,621.59	-	-	-	-
Other financial assets	-	-	7.65	7.65	-	-	-	-
Foreign exchange contracts	-	22.63	-	22.63	-	22.63	-	22.63
Security deposits	-	-	21.03	21.03	-	-	-	-
Total	2,365.04	659.01	1,813.33	4,837.38	1,093.87	1,293.80	636.38	3,024.05
Financial Liabilities:								
Long term borrowings (Including current maturity of Long term borrowings)	-	-	1,324.02	1,324.02	-	-	-	-
Other financial liabilities (Including lease liabilities)	-	-	376.12	376.12	-	-	-	-
Short term borrowings	-	-	2,724.75	2,724.75	-	-	-	-
Trade payables	-	-	918.24	918.24	-	-	-	-
Foreign exchange contracts	14.62	475.39	-	490.01	-	490.01	-	490.01
Total	14.62	475.39	5,343.13	5,833.14	-	490.01	-	490.01



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

(₹ in Crores)

Particulars	As at 31 st March, 2025							
	Carrying amount				Fair value			
	Fair value through Profit and Loss	Fair value through Other Comprehensive Income	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:								
Cash and cash equivalents (Including other bank balances)	-	-	62.56	62.56	-	-	-	-
Investments-								
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
Preference shares, bonds and commercial papers	-	-	391.13	391.13	-	-	-	-
Alternate Investment Fund	451.87	-	-	451.87	-	451.87	-	451.87
Loans	-	-	9.70	9.70	-	-	-	-
Trade receivables	-	-	1,610.88	1,610.88	-	-	-	-
Other financial assets	-	-	17.85	17.85	-	-	-	-
Foreign exchange contracts	-	159.12	-	159.12	-	159.12	-	159.12
Security deposit	-	-	19.86	19.86	-	-	-	-
Total	2,328.49	682.58	2,111.98	5,123.05	1,199.48	1,288.13	523.46	3,011.07
Financial Liabilities:								
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 contracts	-	36.83	-	36.83	-	36.83	-	36.83
Total	-	36.83	4,245.59	4,282.42	-	36.83	-	36.83

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 31st March, 2026

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
Level: 2			
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
Level: 1 and Level: 2			
Mutual Fund/Debentures	Net Asset value	Not applicable	Not applicable
Level: 3			
Unlisted Equity Instruments	The fair value for Level 3 instruments is valued using inputs based on information about market participants, assumptions and other data that are available.	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 65% 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 31st March, 2026

Impairment

Provision for doubtful debts movement	(₹ in Crores)
Balance as at 1st April, 2024	-
Impairment loss recognised	0.15
Amounts written off	0.15
Balance as at 31st March, 2025	-
Impairment loss recognised	0.50
Amounts written off	0.50
Balance as at 31st March, 2026	-

Concentration of credit risk

At 31st March, 2026, the carrying amount of the Company's most significant customers is ₹ 460.84 Crores (PY: ₹ 271.42 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 31st March, 2026 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 31st March, 2026. 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 31st March, 2026, the Company had working capital of ₹ 102.77 Crores, including cash and cash equivalents of ₹ 26.68 Crores and highly marketable current investments of ₹ 1,327.48 Crores.

As at 31st 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.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

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 st March, 2026	Carrying amount	Total	Contractual cash flows			
			1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-current						
Unsecured Long term loans and borrowings	888.00	888.00	-	0.54	760.62	126.84
Lease liabilities	1.11	1.11	-	0.49	0.62	-
Other financial liabilities	0.56	0.56	-	-	0.56	-
Current						
Secured Long term loans and borrowings	436.02	436.02	436.02	-	-	-
Unsecured Short term loans and borrowings	2,724.75	2,724.75	2,724.75	-	-	-
Lease liabilities	1.19	1.19	1.19	-	-	-
Trade and other payables	918.24	918.24	918.24	-	-	-
Capital Creditors	267.54	267.54	267.54	-	-	-
Unpaid Dividends	2.92	2.92	2.92	-	-	-
Interest accrued	4.09	4.09	4.09	-	-	-
Others	98.71	98.71	98.71	-	-	-
Financial / corporate guarantee in respect of loan taken by subsidiary*	-	62.56	62.56	-	-	-
Derivative financial liabilities[#]						
Non-Current	279.26	279.26	-	117.41	161.85	-
Current	210.75	210.75	210.75	-	-	-

*Includes contracts that are effective as hedges from an economic perspective, but they do not qualify for Hedge Accounting.

(₹ in Crores)

As at 31 st March, 2025	Carrying amount	Total	1 year or less	Contractual cash flows		More than 5 years
				1-2 years	2-5 years	
Non-derivative financial liabilities						
Non-current						
Secured Long term loans and borrowings	369.30	369.30	-	369.30	-	-
Unsecured Long term loans and borrowings	18.00	18.00	-	-	-	18.00
Lease liabilities	1.28	1.28	-	0.87	0.41	-
Other financial liabilities	0.48	0.48	-	-	0.48	-
Current						
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	-	-	-
Lease liabilities	0.35	0.35	0.35	-	-	-
Trade and other payables	745.50	745.50	745.50	-	-	-
Capital Creditors	154.08	154.08	154.08	-	-	-
Unpaid Dividends	2.81	2.81	2.81	-	-	-
Interest accrued	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	-	-	-
Derivative financial liabilities						
Non-Current	20.47	20.47	-	9.10	11.37	-
Current	16.36	16.36	16.36	-	-	-

*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.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

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 mainly 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, mainly uses foreign exchange forward contract and cross currency forward contracts 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 31st March, 2026

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of highly probable forecasted sales transactions	Forward contract	USD	INR	163 Million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	INR	259 Million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	USD	238 Million	Sell
Other Derivatives	Derivatives	EUR	INR	73 Million	Sell

Following is the derivative financial instruments to hedge the foreign exchange rate risk As at 31st 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	**
Other Derivatives	Derivatives	EUR	USD	17 Million	Buy
Other Derivatives	Derivatives	EUR	INR	85 Million	Sell
Other Derivatives	Derivatives	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 31st March, 2026

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:

Particulars	As at 31 st March, 2026			As at 31 st March, 2025		
	EUR	USD	Others	EUR	USD	Others
Financial assets (A)						
Trade receivables	772.62	386.04	-	888.25	382.45	-
Cash and cash equivalent	13.48	3.47	0.13	19.40	15.13	0.08
Total(A)	786.10	389.51	0.13	907.65	397.58	0.08
Financial liabilities (B)						
Secured Loans	436.02	-	-	553.95	-	-
Unsecured Loans	2,679.37	-	-	2,346.61	-	-
Interest on loans	1.81	-	-	3.10	-	-
Trade payables	146.14	122.95	1.39	157.02	99.94	1.39
Other - Capital Creditor	27.03	79.13	1.25	27.15	52.26	-
Total(B)	3,290.37	202.08	2.64	3,087.83	152.20	1.39
Net statement of financial position exposure	(2,504.27)	187.43	(2.51)	(2,180.18)	245.38	(1.31)

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.

31 st March, 2026	Profit/(Loss)		
	Strengthening / Weakening %	Strengthening	Weakening
EUR	10%	(250.43)	250.43
USD	10%	18.74	(18.74)
Others	10%	(0.25)	0.25

31 st 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

(Note: The impact is indicated on the profit/loss and equity before tax basis)

*Excluding Derivative Assets and Derivative Liabilities

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.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

For details of the Company short-term and long term loans and borrowings, including interest rate profiles, refer to Note No. 19 & 24 of these financial statements.

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Fixed-rate Instruments		
Financial Assets	110.42	536.82
Financial Liabilities	(3,394.13)	(1,936.94)
	(3,283.71)	(1,400.12)
Variable-rate instruments		
Financial Assets	-	-
Financial Liabilities	(654.64)	(1,275.29)
	(654.64)	(1,275.29)

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
As at 31st March, 2026		
Variable-rate instruments	(6.55)	6.55
Sensitivity (Net)	(6.55)	6.55
As at 31st March, 2025		
Variable-rate instruments	(12.75)	12.75
Sensitivity (Net)	(12.75)	12.75

(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 31st March, 2026

Offsetting financial assets and financial liabilities

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31st March, 2026 and 31st March, 2025. 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
As at 31st March, 2026						
Financial assets						
Derivative financial instruments	22.63	-	22.63	22.63	-	22.63
Total	22.63	-	22.63	22.63	-	22.63
Financial liabilities						
Derivative financial instruments	490.01	-	490.01	490.01	-	490.01
Total	490.01	-	490.01	490.01	-	490.01
As at 31st March, 2025						
Financial assets						
Derivative financial instruments	159.12	-	159.12	159.12	-	159.12
Total	159.12	-	159.12	159.12	-	159.12
Financial liabilities						
Derivative financial instruments	36.83	-	36.83	36.83	-	36.83
Total	36.83	-	36.83	36.83	-	36.83

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 derivative contracts to hedge its currency exposure. Such contracts are designated as cash flow hedges.

The derivative contracts are generally denominated in the same currency in which the sales realization is likely to take place.

For derivative contracts designated as hedge, the Company documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness.

Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge.

The Company applies cash flow hedge accounting to hedge the variability in the future cash flows attributable to foreign exchange risk.

Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter on prospective basis to ensure that an economic relationship exists between the hedge items and hedging instruments.

Hedge effectiveness is assessed through the application of critical terms match method. Any ineffectiveness in a hedging relationship is accounted for in the statement of profit and loss.

The company has formally designated and documented hedge relationship from 1st April, 2016.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

Disclosure of effects of hedge accounting on financial position

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

As at 31st March, 2026

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	259 Million EUR/INR 163 Million USD/INR 238 Million EUR/USD	22.64	376.78	Other Financial Asset / Other Financial Liability	FY 2026-27 to FY 2030-31	1 EUR = INR 107.1576 1 USD = INR 91.9485 1 EUR = 1.1612 USD
Derivatives	72.50 Million EUR/INR	-	113.22	Other Financial Liability	FY 2026-27 to FY 2029-30	1 EUR = INR 106.9169

Particulars	Change in fair value for the year	Change in fair Value for the year recognized in OCI (₹ in Crores)	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Foreign exchange forward contract	FY 2025-26	478.70	-	-	-	-
Cross Currency Swap	FY 2025-26	(5.18)	-	-	-	-
Cross Currency Swap	FY 2025-26	(0.33)	-	-	-	-
Derivatives	FY 2025-26	90.98	-	-	-	-
Derivatives	FY 2025-26	11.53	-	-	-	-
Foreign exchange forward contract	FY 2025-26	(0.66)	-	-	-	-

' - ' Represents line items that are not applicable for the current financial reporting period due to zero recognised hedge ineffectiveness

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 st March, 2026	As at 31 st March, 2025
Opening balance	91.51	119.65
Effective portion of changes in fair value:		
Foreign currency risk	(575.04)	(37.60)
Net amount reclassified to profit or loss:		
Foreign currency risk	-	-
Tax on movements on reserves during the year	144.73	9.46
Closing balance	(338.80)	91.51

NOTE NO. 41 CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'net debt' to 'equity'. For this purpose, net debt is defined as total debt, comprising interest-bearing loans and borrowings less cash and cash equivalents and current investments.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

The Company's Net Debt to Equity ratio was as follows.

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Non-Current Borrowings	888.00	387.30
Current Borrowings	3,160.77	2,825.06
Gross Debt	4,048.77	3,212.36
Less - Cash and Cash Equivalents	26.68	56.55
Less - Current Investments	1,327.48	1,702.78
Net Debt	2,694.61	1,453.03
Total equity	10,966.25	10,383.83
Add/(Less): Hedging reserve	338.80	(91.51)
Equity	11,305.05	10,292.32
Net Debt to Equity ratio	24%	14%

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 shareholders of the company by the weighted average number of Equity shares outstanding during the year.

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Profit attributable to equity shareholders (₹ in Crores)	1,221.85	1,628.37
Weighted average number of shares outstanding during the year	19,33,17,190	19,33,17,190
Nominal Value of Equity Shares (in ₹)	2	2
Earning Per Share Basic and Diluted (in ₹)	63.20	84.23

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, Mr. Rishabh Poddar

c) Other Related Parties -(Enterprises-KMP having significant influence/owned by major shareholders):

Clothing Culture Pvt. Ltd, Devkinandan Plastics Pvt Ltd.

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 TIRES INC	100% holding of Balkrishna Industries Limited
BKT TIRES (CANADA) INC.	100% holding of Balkrishna Industries Limited
BKT NETHERLANDS B.V (Incorporated on 28 th May, 2025)	100% holding of Balkrishna Industries Limited



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

II Related Party Transactions⁵

(₹ in Crores)

Transactions	Year ended 31 st March, 2026			Year ended 31 st March, 2025		
	Relatives of (KMP)	Other related Party	Subsidiaries	Relatives of (KMP)	Other related Party	Subsidiaries
Purchase of Goods/Materials	-	30.17	-	-	27.29	-
Rent received	-	0.77	-	-	0.72	-
Recovery of Expenses (CY ₹ 20,713) (PY ₹ 31,822)	-	0.00	-	-	0.00	-
Rent Paid	3.72	-	-	3.72	-	-
Maintenance expenses	0.14	-	-	0.14	-	-
Meeting Fees	0.07	-	-	0.06	-	-
Advance Payment against Purchase of Investment property	17.50	-	-	-	-	-
Sale of Investment property	-	-	-	2.00	-	-
Marketing Service Expenses	-	-	471.84	-	-	371.01
Guarantee Commission Received	-	-	1.15	-	-	1.02
Sale of Goods/Materials	-	0.13	336.32	-	-	246.85
Guarantee given to Bank on behalf of subsidiary	-	-	62.56	-	-	64.62
Finance charges recovered against Guarantee Commission	-	-	0.09	-	-	0.08
Investment in Subsidiary	-	-	0.10	-	-	-

(₹ in Crores)

Outstanding Balances	Key Management Personnel		Relatives of (KMP)		Subsidiaries		Other related Party	
	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025
Remuneration payable	55.06	84.07	-	-	-	-	-	-
Loan Receivable	1.02	-	-	-	-	-	-	-
Trade Receivables	-	-	-	-	236.50	144.56	-	-
Trade Payables	-	-	-	-	9.81	5.54	0.09	-
Advances Receivable	-	-	17.50	-	-	-	-	-

III Key management personnel compensation***

Key management personnel compensation comprised the following:

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
a) Remuneration	70.99	99.36
b) Loan	1.02	-
c) Recovery of Expenses- (CY ₹ 13,060) (PY ₹ 4,380)	0.00	0.00

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

Disclosure in Respect of Related Party Transaction during the year:

(₹ in Crores)

Transactions	Year ended 31 st March, 2026			Year ended 31 st March, 2025		
	Relatives of (KMP)	Other related Party	Subsidiaries	Relatives of (KMP)	Other related Party	Subsidiaries
Purchase of Goods/ Materials						
Clothing Culture Pvt. Ltd	-	0.48	-	-	0.18	-
Devkinandan Plastics Pvt. Ltd.	-	29.69	-	-	27.11	-
Rent received						
Clothing Culture Pvt. Ltd.	-	0.77	-	-	0.72	-
Recovery of Expenses						
Clothing Culture Pvt. Ltd. (CY ₹ 20,713) (PY ₹ 31,822)	-	0.00	-	-	0.00	-
Rent Paid						
Mrs. Pooja Dhoot	1.67	-	-	1.67	-	-
Mrs. Khushboo Poddar	2.05	-	-	2.05	-	-
Maintenance Expenses						
Mrs. Pooja Dhoot	0.06	-	-	0.06	-	-
Mrs. Khushboo Poddar	0.08	-	-	0.08	-	-
Meeting Fees						
Mrs. Vijaylaxmi Poddar	0.07	-	-	0.06	-	-
Advance Payment against Purchase of Investment property						
Mr. Rishabh Poddar	17.50	-	-	-	-	-
Sale of Investment property						
Mrs. Pooja Dhoot	-	-	-	2.00	-	-
Marketing Service Expenses						
BKT EUROPE S.R.L.	-	-	388.88	-	-	296.27
BKT (USA) INC	-	-	59.99	-	-	61.72
BKT TIRES (CANADA) INC.	-	-	14.68	-	-	13.02
BKT NETHERLANDS B.V	-	-	8.30	-	-	-
Sales of Goods/Materials						
Devkinandan Plastics Pvt Ltd	-	0.13	-	-	-	-
BKT EUROPE S.R.L.	-	-	213.44	-	-	126.62
BKT TIRES INC.	-	-	122.88	-	-	120.23
Guarantee Commission Received						
BKT EUROPE S.R.L.	-	-	0.63	-	-	0.55
BKT TIRES INC.	-	-	0.50	-	-	0.47
BKT NETHERLANDS B.V	-	-	0.02	-	-	-
Guarantee given to Bank on behalf of subsidiaries						
BKT EUROPE S.R.L.	-	-	31.94	-	-	38.89
BKT TIRES INC.	-	-	28.45	-	-	25.73
BKT NETHERLANDS B.V	-	-	2.18	-	-	-
Finance charges recover against Guarantee Commission						
BKT EUROPE S.R.L.	-	-	0.03	-	-	0.03
BKT TIRES INC.	-	-	0.06	-	-	0.05
Investment in Subsidiary						
BKT NETHERLANDS B.V	-	-	0.10	-	-	-



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

(₹ in Crores)

Particulars	KMP		Relatives of (KMP)		Subsidiaries		Other related Party	
	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025
Remuneration payable**								
Mr. Arvind Poddar	29.44	42.00	-	-	-	-	-	-
Mr. Rajiv Poddar	25.56	42.00	-	-	-	-	-	-
Mr. Vipul Shah	0.02	0.05	-	-	-	-	-	-
Mr. Madhusudan Bajaj	0.04	0.02	-	-	-	-	-	-
Loan Receivable								
Mr. Vipul Shah	1.02	-	-	-	-	-	-	-
Trade Receivables								
BKT EUROPE S.R.L.	-	-	-	-	195.11	90.90	-	-
BKT TIRES INC	-	-	-	-	41.40	53.66	-	-
Trade Payables								
BKT(USA)INC	-	-	-	-	8.53	4.25	-	-
BKT TIRES (CANADA) INC.	-	-	-	-	1.28	1.29	-	-
Clothing Culture Pvt. Ltd	-	-	-	-	-	-	0.09	-
Devkinandan Plastics Pvt. Ltd (CY ₹ 32,752)	-	-	-	-	-	-	0.00	-
Advances Receivable								
Mr. Rishabh Poddar	-	-	17.50	-	-	-	-	-

Key management personnel ***

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
a) Key management personnel compensation comprised the following:		
Remuneration		
Mr. Arvind Poddar	34.98	47.54
Mr. Rajiv Poddar	29.98	46.42
Mr. Vipul Shah	1.19	0.98
Mr. Madhusudan Bajaj	4.84	4.42
b) Loan		
Loan Given		
Mr. Vipul Shah	1.60	-
Loan Repaid		
Mr. Vipul Shah	0.58	-
Balance Receivable	1.02	-
c) Recovery of Expenses		
Mr. Rajiv Poddar- (CY ₹ 13,060) (PY ₹ 4,380)	0.00	0.00

No amount in respect of related parties have been written off/back or are provided for.

*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.

***Excluding Provision for gratuity and leave encashment.

**Provision for employee benefits, which are based on actuarial valuation done on an overall company basis, is excluded.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 44 TRADE PAYABLE AGEING AS AT 31ST MARCH, 2026

(₹ 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	51.57	-	-	-	51.57
Others	803.12	18.30	40.40	0.73	862.55
Dispute due MSE	-	-	-	-	-
Dispute due Others	1.49	-	-	2.63	4.12

TRADE PAYABLE AGEING AS AT 31ST 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

As at 31st March, 2026, 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:

Particulars	(₹ in Crores)	
	As at 31 st March, 2026	As at 31 st March, 2025
a) The principal amount remaining unpaid to any supplier at the end of the year (Including Capital Creditors of ₹ 36.88 Crores (PY ₹ 17.13 Crores))	88.45	46.47
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.

Particulars	(₹ in Crores)	
	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Charge to the Statement of Profit and Loss based on contributions:		
Superannuation	0.81	0.81
Employees' Provident fund	18.90	15.76



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

(B) Defined Benefit Plan

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Company has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at 31st March, 2026. 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 st March, 2026	As at 31 st March, 2025
	Gratuity	Gratuity
	(Funded plan)	(Funded plan)
(i) Change in Defined Benefit Obligation		
Opening defined benefit obligation	96.34	84.28
Amount recognised in profit and loss		
Current service cost	9.06	6.88
Past service cost	2.66	-
Interest cost	6.86	6.01
Amount recognised in other comprehensive income		
Actuarial loss / (gain) arising from:		
Demographic assumptions	-	(0.58)
Financial assumptions	(4.80)	6.50
Experience adjustment	4.09	(0.48)
Other		
Benefits paid	(4.05)	(6.27)
Closing defined benefit obligation	110.16	96.34
(ii) Change in Fair Value of Assets		
Opening fair value of plan assets	58.80	58.72
Amount recognised in profit and loss		
Interest income	4.11	4.17
Amount recognised in other comprehensive income		
Actuarial gain / (loss)		
Return on Plan Assets, Excluding Interest Income	0.29	0.11

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
	Gratuity	Gratuity
	(Funded plan)	(Funded plan)
Other		
Contributions by employer	5.99	2.07
Benefits paid	(4.05)	(6.27)
Closing fair value of plan assets	65.14	58.80
Actual return on Plan Assets	4.41	4.28
(iii) Plan assets comprise the following		
	<u>Unquoted</u>	<u>Unquoted</u>
Insurance fund (100%)	65.14	58.80
(iv) Principal actuarial assumptions used	%	%
Discount rate	7.27	6.78
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 15.00% p.a. For service 5 years and above 5.00% p.a.
Future Salary growth rate	9.00	9.00
Mortality rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
(v) Amount recognised in the Balance Sheet		
Present value of obligations as at year end	110.16	96.34
Fair value of plan assets as at year end	65.14	58.80
Net (asset) / liability recognised as at year end	45.02	37.54
Recognised under:		
Long term provisions	45.02	37.54
	45.02	37.54

(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.

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement) - Gratuity	(8.79)	10.32	(8.21)	9.69
Employee turnover (1% movement) - Gratuity	(0.18)	0.14	(0.66)	0.70
Future salary growth (1% movement) - Gratuity	6.30	(6.17)	6.07	(5.95)

(₹ in Crores)



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

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	Sum of Years 6 To 10	Over 11 years and above	Total
As at 31st March, 2026						
Defined benefit obligations (Gratuity)	8.90	7.60	30.13	42.05	164.95	253.63
Total	8.90	7.60	30.13	42.05	164.95	253.63

(₹ in Crores)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Sum of Years 6 To 10	Over 11 years and above	Total
As at 31st March, 2025						
Defined benefit obligations (Gratuity)	6.52	5.88	24.90	35.66	144.50	217.46
Total	6.52	5.88	24.90	35.66	144.50	217.46

*Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily basic salary for each day of accumulated leave partially at the year end and partially on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31st March, 2026 based on actuarial valuation using the projected accrued benefit method is ₹ 0.19 Crores. (PY ₹ 0.52 Crores).

NOTE NO. 46 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(i) Contingent Liabilities		
a) Claims against the Company not acknowledge as debts		
Disputed claims for excise, sales tax, customs and service tax	152.84	162.49
Disputed income tax demands	61.72	9.61
Others (Municipal, Gram panchayat tax, Electricity Duty etc.)	13.07	10.98
b) Guarantees given by the Company's bankers on behalf of the Company against the Company's Indemnity	161.46	101.27
c) Bonds/Corporate Guarantee given by the Company:		
To the President of India through commissioner of Custom	494.43	461.84
To Bank against loan taken by subsidiary	28.45	37.55
To Leasing Company for leasing of vehicle at subsidiary	2.18	-
d) Standby Letter of Credit issued by Company's banker for loan taken by subsidiary	31.94	27.07
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	2,711.84	923.98

Notes forming part of the Standalone Financial Statements for the year ended 31st March, 2026

NOTE NO. 47 REMUNERATION TO AUDITORS*

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
a) Statutory Auditor		
Audit Fees	0.90	0.77
Limited Review	0.04	0.04
Tax Audit	0.34	0.33
Transfer Pricing	0.05	0.05
	1.33	1.19
Income tax matters	0.06	0.38
Company Law Matters	0.11	0.05
	0.17	0.43
Consolidation & Corporate Governance	0.11	0.11
Other Certification etc.	0.53	0.40
	0.64	0.51
Total	2.14	2.13
b) Cost Auditor		
Audit Fees	0.06	0.05
Reimbursement of expenses (CY ₹ 25,000) (PY ₹ 25,000)	0.00	0.00

*Excluding GST

NOTE NO. 48 NATURE OF SECURITY IN RESPECT OF SECURED LOAN

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Term Loans from Bank:		
Secured by first charge by way of hypothecation on all the movable assets of tyre plant of Bhuj, Gujarat	436.02	553.95

NOTE NO. 49 TRADE RECEIVABLE AGEING AS AT 31ST MARCH, 2026

(₹ 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	1,607.66	8.09	5.84	-	-	1,621.59
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 31st March, 2026

TRADE RECEIVABLE AGEING AS AT 31ST 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	-	-	-	-	-	-

NOTE NO. 50 DIVIDEND PAID AND PROPOSED

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Dividend declared and paid during the year:		
Final Dividend of ₹ 4.00 per share for FY 2024-25 (₹ 4.00 per share for FY 2023-24)	77.33	77.32
Interim dividend of ₹ 12.00 per share for FY 2025-26 (₹ 12.00 per share for FY 2024-25)	231.98	231.98
	309.31	309.30
Proposed Dividends on equity shares:		
Final Dividend recommended by the Board of Directors for the year ended 31 st March, 2026 ₹ 4 per share of ₹ 2 each (31 st March, 2025: ₹ 4.00 per share of ₹ 2 each) subject to approval of shareholders in the ensuing annual general meeting.	77.32	77.33

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 st March, 2026	Year ended 31 st March, 2025
1	Amount required to be spent by the Company during the year	34.04	32.94
2	Opening Shortfall/(Surplus) (if any)	8.69	(2.73)
3	Amount of expenditure incurred on		
i)	Construction/acquisition of any assets	37.49	11.71
ii)	On purpose of other than (i) above	6.72	9.81
4	Shortfall/(Surplus) at the end of the year	(1.48)	8.69
5	Reason for shortfall	-	-
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:	-	-

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

NOTE NO. 52 RATIOS

(₹ in Crores)

Sr. No.	Particulars	Numerator	Denominator	Year Ended		Variance %	Remarks for variance more than 25%
				31 st March, 2026	31 st March, 2025		
1	Current Ratio (In times)	Current Assets	Current Liabilities	1.02	1.33	(23.03)	
2	Debt-Equity Ratio (In times)	Total Debt	Shareholder's Equity	0.37	0.31	19.34	
3	Debt Service Coverage Ratio (In times)	Earnings available for debt service	Debt Service	5.38	6.52	(17.57)	
4	Return on Equity (ROE) (%)	Net Profits after taxes	Average Shareholder's Equity	11.45	16.92	(32.36)	There has been decrease in profit margin during the year
5	Inventory Turnover (In times)	Cost of goods sold	Average Inventories	10.04	10.40	(3.51)	
6	Trade receivables Turnover (In times)	Net Sales	Average Trade Receivables	6.64	6.55	1.39	
7	Trade Payables Turnover Ratio (In times)	Total Purchase	Average Trade Payables	9.68	9.79	(1.14)	
8	Net capital turnover ratio (In times)	Net Sales	Working Capital	14.70	8.72	68.66	There has been decrease in working capital during the year
9	Operating Margin (%)	Operating Profit	Net Sales	13.98	16.92	(17.40)	
10	Net profit ratio (%)	Net Profit	Net Sales	11.39	15.77	(27.79)	There has been decrease in profit margin during the year
11	Return on capital employed (ROCE) (%)	Earning before interest and taxes	Capital Employed	11.41	16.26	(29.79)	There has been decrease in profit margin during the year
12	Return on investment (%)	Income generated from investments	Average Investments	14.38	19.75	(27.19)	There has been decrease in cash flow during the year
13	Interest coverage ratio (In times)	Earnings before interest and taxes (EBIT)	Finance Cost	13.37	18.22	(26.63)	There has been decrease in profit margin during the year

NOTE NO. 53 OTHER STATUTORY INFORMATIONS:

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- The Company does not have any transactions with struck off companies.
- The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority



Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2026

- 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 Group shall:
 - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- ix) The Company does not have 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 Government of India has consolidated 29 existing labour legislations into a unified framework comprising 4 labour codes (the New Labour Codes), effective from November 21, 2025. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has ascertained its estimated obligations under the New Labour Codes.

Accordingly, the Company has recognised incremental estimated obligations aggregating to ₹ 8.32 Crores under "Employee benefits expense" on account of employees past services, based on actuarial valuation and best estimate in accordance with Ind AS 19 - 'Employee Benefits' and consistent with guidance provided by the Institute of Chartered Accountants of India.

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 JAYANTILAL THAKKAR & CO.

Chartered Accountants

(Firm Reg. no. 104133W)

VIRAL A. MERCHANT

Partner

Membership No.116279

Place: Mumbai

Dated: 8th May, 2026

For and on behalf of the Board of Directors

ARVIND PODDAR

Chairman & Managing Director

VIPUL SHAH

Director & Company Secretary

Place: Mumbai

Dated: 8th May, 2026

RAJIV PODDAR

Joint Managing Director

MADHUSUDAN BAJAJ

Sr. President & Director (Commercial) and CFO

Independent Auditor's Report

To the Members of
BALKRISHNA INDUSTRIES LIMITED

REPORT ON THE AUDIT OF 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 31st March, 2026, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state

of affairs of the Group as at 31st March, 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI'), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters

The key audit matters	How our audit addressed the matter
1. Capitalisation of Property, Plant and Equipment During the year ended 31st March, 2026, the Group has incurred significant capital expenditure. Further the total additions to Property, Plant and Equipment at various locations of the Company was ₹ 1256.45 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.)	Principal Audit Procedures Our audit procedures included the following substantive procedures: - We assessed the capitalisation process and tested the design and operating effectiveness of the controls in the process. - 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. - 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. - 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.



The key audit matters	How our audit addressed the matter
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 to the consolidated financial statements.)	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.
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 recognized in other comprehensive income. (Refer note no.- 40 to the consolidated financial statements.)	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.

Independent Auditor's Report

The key audit matters	How our audit addressed the matter
Investments We have identified above as Key Audit Matter as investment accounting has resulted into significant impact on the Holding Company's financial statements. Mark to market gain / loss pertaining to these investments are recognized in other comprehensive income and profit and loss. (Refer note no. - 5 & 10 to the consolidated financial statements.)	Principal Audit Procedures Our audit procedures included the following substantive procedures: • Assessing controls over the authorisation and recording of investment transactions, focusing on the segregation of duties between trade execution and accounting. • We verified transaction accuracy and completeness by reconciling sub-ledgers to custodian statements and vouching a sample of trades to contract notes. • We performed physical verification or obtained external confirmation of the existence and ownership of holdings by communicating directly with custodians, depositories, or banks to confirm balances held at year-end. • Evaluated the appropriateness of the valuation methodologies applied to unquoted or Level 3 investments, including challenging the key assumptions (e.g., discount rates, growth projections) and testing the mathematical accuracy of the valuation models on a sample basis. • Tested the valuation of quoted investments by independently benchmarking the carrying amounts against closing market prices sourced from recognized stock exchanges or third-party pricing services. • We verified the accuracy and completeness of investment income (interest and dividends) by performing a reasonableness test based on average balances and market yields and ensuring accruals are recorded in the correct period. • We reviewed the classification of investments (e.g., FVTPL, Amortised Cost, or FVTOCI) to ensure compliance with the relevant accounting framework and verified that any impairment losses have been appropriately identified and measured. • We reviewed the adequacy of disclosures in the financial statements, specifically regarding the fair value hierarchy (Levels 1, 2, and 3) and sensitivity analysis for significant unobservable inputs.



Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors including Annexures thereto, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements

and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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

Independent Auditor's Report

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 auditor's 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 auditor's 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

- planning the scope of our audit work and in evaluating the results of our work; and
- 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.

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 auditor's 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/financial information of 5 foreign subsidiaries, whose financials include total assets of (before consolidation adjustments) ₹ 444.04 Crores, total income of (before consolidation adjustments) ₹ 814.80 Crores, total net profit after tax of (before consolidation adjustments) ₹ 53.47 Crores, total comprehensive income of (before consolidation adjustments) ₹ 17.48 Crores and net cash inflow/(outflow) of (before consolidation adjustments)



₹ 10.55 Crores for the year ended on 31st March, 2026, 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 31st March, 2026 and taken on record by the Board of Directors, none of the directors of the Holding Company is disqualified as on 31st March, 2026 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 Auditor's 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 read with Schedule V of the Act.

- h) 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 as at 31st March, 2026 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 31st March, 2026.
- 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

Independent Auditor's Report

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 31st March, 2026 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 (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the 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

PLACE : Mumbai
DATE : 8th May, 2026

MEMBERSHIP NO. 116279
UDIN: 26116279PINKYV4565



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 31st March, 2026, 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.

AUDITOR'S 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 auditor's judgement, 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.

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 31st March, 2026, 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

PLACE : Mumbai
DATE : 8th May, 2026

MEMBERSHIP NO. 116279
UDIN: 26116279PINKYV4565

Consolidated Balance Sheet

as at 31st March, 2026

(₹ in Crores)

Particulars	Note No.	As at 31 st March, 2026	As at 31 st March, 2025
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	2	7,326.54	6,856.15
(b) Capital Work-in-Progress	2A	2,472.46	985.95
(c) Investment Property	3	55.61	61.24
(d) Intangible Assets	4	7.32	3.73
(e) Right of use assets	4A	19.92	19.92
(f) Financial Assets			
i) Investments	5	1,796.48	1,561.57
ii) Other Financial Assets	6	38.46	105.98
(f) Income tax Assets (Net)	7	20.23	15.76
(g) Other Non-Current Assets	8	874.85	452.96
TOTAL NON-CURRENT ASSETS		12,611.87	10,063.26
2 CURRENT ASSETS			
(a) Inventories	9	1,808.47	1,781.93
(b) Financial Assets			
i) Investments	10	1,327.48	1,702.78
ii) Trade Receivables	11	1,446.57	1,494.54
iii) Cash and Cash Equivalents	12	60.92	80.24
iv) Other Bank Balances	13	3.59	6.01
v) Loans	14	10.30	9.70
vi) Other Financial Assets	15	13.00	90.90
(c) Other Current Assets	16	484.14	405.30
TOTAL CURRENT ASSETS		5,154.47	5,571.40
TOTAL ASSETS		17,766.34	15,634.66
II EQUITY AND LIABILITIES			
EQUITY			
(a) Share Capital	17	38.66	38.66
(b) Other Equity	18	10,916.63	10,348.94
TOTAL EQUITY		10,955.29	10,387.60
LIABILITIES			
1 NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Borrowings	19	888.00	387.30
ii) Lease Liabilities	19A	4.07	4.55
iii) Other Financial Liabilities	20	279.82	20.96
(b) Provisions	21	52.95	48.36
(c) Deferred Tax Liabilities (Net)	22	316.84	456.30
(d) Other Non-Current Liabilities	23	180.37	102.94
TOTAL NON-CURRENT LIABILITIES		1,722.05	1,020.41
2 CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Borrowings	24	3,217.56	2,875.25
ii) Lease Liabilities	24A	1.19	0.35
iii) Trade Payable			
Total outstanding due of Micro and Small Enterprise	25	51.57	29.34
Total outstanding due of creditors Other than Micro and Small Enterprise	25	860.69	724.59
iv) Other Financial Liabilities	26	589.11	301.98
(b) Other Current Liabilities	27	362.87	290.07
(c) Provisions	28	6.01	5.07
TOTAL CURRENT LIABILITIES		5,089.00	4,226.65
TOTAL EQUITY AND LIABILITIES		17,766.34	15,634.66

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: 8th May, 2026

For and on behalf of the Board of Directors

ARVIND PODDAR

Chairman & Managing Director

VIPUL SHAH

Director & Company Secretary

Place: Mumbai

Dated: 8th May, 2026

RAJIV PODDAR

Joint Managing Director

MADHUSUDAN BAJAJ

Sr. President & Director (Commercial) and CFO



Consolidated Statement of Profit and Loss

for the year ended 31st March, 2026

(₹ in Crores)

Particulars	Note No.	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
I Revenue From Operations	29	10,823.08	10,446.95
II Other Income	30	251.83	538.79
III Total Income (I+II)		11,074.91	10,985.74
IV Expenses:			
Cost of Materials Consumed	31	5,140.88	4,985.43
Purchases of Stock-in-Trade	32	165.86	135.63
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	33	(79.59)	(60.60)
Employee Benefits Expense	34	596.19	554.36
Finance Cost	35	133.62	128.34
Depreciation and Amortisation Expense	36	774.96	680.66
Other Expenses	37	2,699.31	2,374.53
Total Expenses		9,431.23	8,798.35
V Profit Before Tax (III-IV)		1,643.68	2,187.39
VI Tax Expense:			
Current tax		378.56	477.62
Short/(Excess) provision of earlier years		9.45	-
Deferred tax		12.57	54.81
Total Tax Expenses	38	400.58	532.43
VII Profit After Tax (V-VI)		1,243.10	1,654.96
VIII Other Comprehensive Income			
1 Items that will not be reclassified to profit or loss:			
i) Remeasurements of Defined Benefit Plans		0.98	(5.33)
ii) Income Tax		(0.24)	1.34
iii) Equity Instrument Through Other Comprehensive Income		91.97	298.30
iv) Income Tax		7.48	(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		(575.04)	(37.60)
ii) Income Tax		144.73	9.46
iii) Exchange differences on translation of financial statements of foreign operation		(35.98)	(14.74)
Total Other Comprehensive Income (1+2)		(366.10)	188.13
IX Total Comprehensive Income (VII + VIII)		877.00	1,843.09
Attributable to:			
Owners of the Company		777.55	1,608.09
Non-Controlling interest		-	-
X Earnings per equity share:			
Basic and Diluted	42	64.30	85.61

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: 8th May, 2026

For and on behalf of the Board of Directors

ARVIND PODDAR

Chairman & Managing Director

VIPUL SHAH

Director & Company Secretary

Place: Mumbai

Dated: 8th May, 2026**RAJIV PODDAR**

Joint Managing Director

MADHUSUDAN BAJAJ

Sr. President & Director (Commercial) and CFO

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2026

(A) EQUITY SHARE CAPITAL

Particulars	No. of Shares	(₹ in Crores)
Balance as at 1 st April, 2024	19,33,17,190	38.66
Changes in equity share capital		
Balance as at 31 st March, 2025	-	-
Changes in equity share capital	19,33,17,190	38.66
Balance as at 31st March, 2026	19,33,17,190	38.66

(B) OTHER EQUITY

Particulars	Capital Reserve	General Reserve	Retained Earnings	Remeasurements of the Net Defined Benefit Plans	Effective portion of Cash Flow Hedges	Equity Instruments Through Comprehensive Income	Foreign Currency translation reserve	Total Other Equity
Balance as at the 1st April, 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)	235.00	(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 31st March, 2025	0.34	5,700.00	4,418.23	(19.39)	91.51	235.00	(76.75)	10,348.94
Total Comprehensive Profit for the year	-	-	1,243.10	-	-	-	-	1,243.10
Other comprehensive income for the year	-	-	-	0.74	(430.31)	99.45	(35.98)	(366.10)
Transactions with owners of the Company								
Interim Dividend on Equity Shares	-	-	(231.98)	-	-	-	-	(231.98)
Dividend on Equity Shares	-	-	(77.33)	-	-	-	-	(77.33)
Transferred to General Reserve	-	-	(500.00)	-	-	-	-	(500.00)
Transferred from Retained Earnings	-	500.00	-	-	-	-	-	500.00
Balance As at 31st March, 2026	0.34	6,200.00	4,852.02	(18.65)	(338.80)	334.45	(112.73)	10,916.63

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: 8th May, 2026

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

Place: Mumbai

Dated: 8th May, 2026



Consolidated Statement of Cash Flows

for the year ended 31st March, 2026

(₹ in Crores)

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before Tax	1,643.68	2,187.39
Adjustment for:		
Depreciation and Amortisation	774.96	680.66
Withdrawal of Provision of Doubtful Loan	-	(0.20)
Decommissioning expenses	(0.07)	0.46
Net mark to market (Gain)/Loss on investments	(79.50)	(89.41)
Income from Investments	(108.15)	(93.82)
Finance Cost	133.62	128.34
Interest Income (including on Investments)	(46.81)	(63.36)
(Profit) /Loss on Sale of Property, Plant and Equipment	(1.07)	(9.68)
Property, Plant and Equipment Discarded (CY ₹ 141)	0.00	1.38
Unrealised Foreign Exchange differences (Gain)/Loss	107.77	(21.46)
Export Incentive on account of EPCG (Benefit)/Utilised	25.37	(23.90)
	806.12	509.01
Operating profit before working capital changes	2,449.80	2,696.40
Adjustment for:		
Trade and other receivables	2.08	104.72
Other Financial Assets	2.43	(0.63)
Inventories	(26.54)	(450.40)
Trade and other payables	214.08	(102.67)
	192.05	(448.98)
Cash generated from operations	2,641.85	2,247.42
Direct taxes paid	(392.53)	(483.28)
Net cash from Operating Activities*	2,249.32	1,764.14
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and equipment	(3,003.29)	(1,483.00)
Sale of Property, Plant and equipment	4.62	34.59
Purchase of Investments	(2,786.65)	(2,776.03)
Sale of Investments	3,150.01	2,600.00
Inter Corporate Loan Refund Received	-	0.20
Interest received	55.05	66.34
Income/Dividend Received on Investments	57.28	78.51
Net cash used in Investing Activities	(2,522.98)	(1,479.39)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds/(Repayment) from Short Term Borrowings (Net)	(597.01)	1,329.29
Proceeds from Long Term Borrowings	3,656.98	2,461.06
Repayment of Long Term Borrowings	(2,386.27)	(3,647.06)
Dividend paid	(309.19)	(309.51)
Lease Liability paid	(1.11)	(0.10)
Finance cost paid	(109.16)	(112.69)
Net Cash from Financing Activities	254.24	(279.01)
Net Increase/(Decrease) in cash and cash equivalent	(19.42)	5.74
Exchange difference on cash and cash equivalent	0.10	(0.12)
Cash and cash equivalent as at the beginning of the year	80.24	74.62
Cash and cash equivalent as at the end of the year (Refer Note No. 12)	60.92	80.24

*Includes amount spent towards Corporate Social Responsibilities ₹ 44.21 Crores (PY ₹ 21.52 Crores)

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.

ARVIND PODDAR

RAJIV PODDAR

Chartered Accountants

Chairman & Managing Director

Joint Managing Director

(Firm Reg. no. 104133W)

VIRAL A. MERCHANT

VIPUL SHAH

MADHUSUDAN BAJAJ

Partner

Director & Company Secretary

Sr. President & Director (Commercial) and CFO

Membership No.116279

Place: Mumbai

Dated: 8th May, 2026

Place: Mumbai

Dated: 8th May, 2026

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

1 (A) General information

Balkrishna Industries Limited ('the Company') is a listed 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 mainly engaged in the business of manufacturing and selling of "Off-Highway Tyres" (OHT) in the specialist segments such as Agricultural, Industrial & Construction, Earthmovers & Port, Mining, Forestry, Lawn & Garden and All Terrain Vehicles (ATV).

(B) Material Accounting policies

(a) Basis of preparation

- (i) The consolidated financial statements have been prepared in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.
- (ii) The consolidated financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:
 1. Financial instruments measured at fair value through profit and loss
 2. Financial instruments measured at fair value through other comprehensive income
 3. Defined benefit plans – plan assets measured at fair value

(b) 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.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

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
Direct Subsidiaries	
BKT EUROPE S.R.L.	Italy
BKT TIRES (CANADA) INC.	Canada
BKT USA INC.	USA
BKT TIRES INC.	USA
BKT NETHERLANDS B.V. (Incorporated on 28 th May, 2025)	Netherlands

(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 recognized; when the significant risks and rewards in respect of ownership of products are transferred by the Group, the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and no significant uncertainty exist regarding the amount of consideration that will be derived from the sale of goods as well as regarding its ultimate collection. Amounts disclosed as revenue are net of variable consideration on account of various Discounts, Rebates, incentives offered by the Company as a part of the contract.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

Sale of goods

Revenue from sale of products is recognized when the significant risks and rewards in respect of ownership of products are transferred by the Group as well as the controls on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

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 reasonable assurance to receive such revenue is established and recognised as per Ind AS 20.

Dividend income

Dividend is recognized as revenue when the right to receive payment has been established.

Interest income

For all interest bearing financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

(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:

- 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 Group has elected to continue with the carrying value of all its property, plant and equipment as recognized in the consolidated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Any gain or loss on disposal of an item of PPE is recognised in profit and loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on PPE (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.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

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 to 6 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.

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	30 Years to 60 Years

(h) Intangible assets

Intangible assets comprise application software purchased, which are not an integral part of the related hardware, and are amortized on a straight line 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 capitalized only when it increases the future economic benefits embodied in the specific to which it relates.

The Group has elected to continue with the carrying value of all its intangible assets as recognized in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101

Asset Class	Useful Life
Software	3 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.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(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 judgement. 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

(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:

- there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority; and
- there is intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

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.

(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.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

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 recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt instruments

- A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
 - a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss.
- Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments

- The Group subsequently measures all equity investments in companies other than equity investments in subsidiaries, at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit and loss as other income when the Group's right to receive payments is established.

De-recognition

- A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:
 - The rights to receive cash flows from the asset have expired, or
 - The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ii. Financial liabilities

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Derivative financial instruments

The Group uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. For contracts where hedge accounting is not followed, such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

iii. Hedge accounting

Exchange contracts entered to hedge highly probable forecast revenues are recorded using the principles of hedge accounting as per Ind AS 109. Such exchange contracts which qualify for cash flow hedge accounting and where the conditions of Ind AS 109 have been met are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of the future cash flows are recognized directly under shareholder's funds in the cash flow hedging reserve and the ineffective portion is recognized immediately in the statement of profit and loss.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued when the hedging instrument expires or is sold or terminated or exercised or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument recognised in shareholders' funds is transferred to statement of profit and loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders' funds is transferred to the statement of profit and loss.

(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.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

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.

(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.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

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 capitalized.

Useful lives of tangible assets and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on management estimate, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Group assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalised.

- Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- Provisions and contingent liabilities

The Group exercises judgement 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. Judgement 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



Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2026

measurement of fair values. The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO.

They regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(v) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2026, MCA has notified following Amendment to Ind AS, applicable to the Company w.e.f. 1st April, 2025.

- Ind AS – 21 The Effects of Changes in Foreign Exchange Rates Lack of Exchangeability
- Ind AS 12 - Income Taxes relating to International Tax Reform – Pillar Two Model Rules – Exception to recognition and disclosure of deferred tax.
- Amendments to Ind AS 7 – Cash flow statement and Ind AS 107 – Financial Instrument Disclosures relating to supplier finance arrangements.
- Ind AS 1-Presentation of Financial Statements- Classification of Liabilities as current or non- current and non-current liabilities with covenants.

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its Standalone financial statements.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 2 PROPERTY, PLANT AND EQUIPMENTS AS AT 31ST MARCH, 2026

Particulars	Gross Block (At Cost)				Depreciation			(₹ in Crores)
	Balance As at 1 st April, 2025	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 st March, 2026	Balance As at 1 st April, 2025	For the Year* Deductions / Transfers During the year	Balance As at 31 st March, 2026	As at 31 st March, 2026
Tangible assets								
(a) Freehold Land	150.20	28.85	-	179.05	-	-	-	179.05
(b) Buildings	2,219.18	143.97	1.32	2,361.83	454.12	77.74 (0.42)	532.28	1,829.55
(c) Plant and Equipment	7,968.83	953.41	3.47	8,918.77	3,449.34	621.06	4,066.97	4,851.80
(d) Furniture and Fixtures	121.86	2.05	-	123.91	77.09	9.84	86.93	36.98
(e) Vehicles	61.29	11.78	2.98	70.09	24.63	6.96	29.46	40.63
(f) Office Equipment	35.32	4.72	-	40.04	25.86	4.62	30.48	9.56
(g) Others:								
Electric Installations	492.39	86.21	0.13	578.47	204.01	43.79	247.66	330.81
Air Conditioners	22.69	2.36	-	25.05	16.14	2.70	18.84	6.21
Computer	49.29	7.09	0.29	56.09	28.50	10.07	38.28	17.81
Leasehold improvement	51.82	16.01	-	67.83	37.03	6.66	43.69	24.14
Total	11,172.87	1,256.45	8.19	12,421.13	4,316.72	783.44	5,094.59	7,326.54

*Including Depreciation capitalised ₹ 13.08 Crores

During FY 2025-26, a property previously classified as Investment Property (Gross Block ₹ 3.53 Crores, Accumulated Depreciation ₹ 0.64 Crores and Net Value ₹ 2.89 Crores) was reclassified to 'Buildings' under Property, Plant and Equipment (Ind AS 16) due to a change in use. In accordance with Ind AS 40, this transfer was executed at its historical carrying value under the cost model, with no adjustment to the underlying cost or depreciation bases.

PROPERTY, PLANT AND EQUIPMENTS AS AT 31ST MARCH, 2025

Particulars	Gross Block (At Cost)				Depreciation			(₹ in Crores)
	Balance As at 1 st April, 2024	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 st March, 2025	Balance As at 1 st April, 2024	For the Year* Deductions / Transfers During the year	Balance As at 31 st March, 2025	As at 31 st March, 2025
Tangible Assets:								
(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	378.88	75.25	454.12	1,765.06
(c) Plant and Equipment	6,919.76	1,087.25	38.18	7,968.83	2,922.83	541.31	3,449.34	4,519.49
(d) Furniture and Fixtures	120.69	1.19	0.02	121.86	65.45	11.66	77.09	44.77
(e) Vehicles	45.17	19.01	2.89	61.29	20.80	5.66	24.63	36.66
(f) Office Equipment	34.31	1.25	0.24	35.32	21.80	4.25	25.86	9.46
(g) Others:								
Electric Installations	427.87	64.91	0.39	492.39	166.14	38.25	204.01	288.38
Air Conditioners	22.77	0.86	0.94	22.69	14.57	2.51	16.14	6.55
Computer	31.16	18.55	0.42	49.29	21.86	7.04	28.50	20.79
Leasehold improvement	51.82	-	-	51.82	34.00	3.03	37.03	14.79
Total	9,878.26	1,338.02	43.41	11,172.87	3,646.33	688.96	4,316.72	6,856.15

*Including Depreciation capitalised ₹ 11.10 Crores



Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2026

NOTE NO. 2A CAPITAL WORK-IN-PROGRESS AGEING AS AT 31ST MARCH, 2026

(₹ in Crores)

Particulars	Less than one year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	2,094.55	276.07	33.16	68.68	2,472.46
Project temporarily suspended	-	-	-	-	-
Total	2,094.55	276.07	33.16	68.68	2,472.46

CAPITAL WORK-IN-PROGRESS AGEING AS AT 31ST MARCH, 2025

(₹ in Crores)

Particulars	Less than one year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	705.22	142.00	97.08	41.65	985.95
Project temporarily suspended	-	-	-	-	-
Total	705.22	142.00	97.08	41.65	985.95

There are no projects which have exceeded its planned cost and timelines as compared to its original plan.

NOTE NO. 3 INVESTMENT PROPERTY AS AT 31ST MARCH, 2026

(₹ in Crores)

Particulars	Gross Block (At Cost)			Depreciation			(Net Block)
	Balance As at 1 st April, 2025	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 st March, 2026	For the Year	Deductions / Transfers During the year	Balance As at 31 st March, 2026
Buildings	72.10	-	5.28	66.82	1.19	0.84	55.61
Total	72.10	-	5.28	66.82	1.19	0.84	55.61

INVESTMENT PROPERTY AS AT 31ST MARCH, 2025

(₹ in Crores)

Particulars	Gross Block (At Cost)				Depreciation			(Net Block)
	Balance As at 1 st April, 2024	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 st March, 2025	For the Year	Deductions / Transfers During the year	Balance As at 31 st March, 2025	As at 31 st March, 2025
Buildings	74.08	-	1.98	72.10	1.28	0.25	10.86	61.24
Total	74.08	-	1.98	72.10	1.28	0.25	10.86	61.24

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2026

i) Amounts recognised in profit and loss for investment properties

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Rental income derived from investment properties	6.71	6.76
Direct operating expenses (including repair and maintenance) generating rental income	(0.43)	(0.10)
Direct operating expenses (including repair and maintenance) not generating rental income	(0.10)	(0.36)

ii) Fair value

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Investment properties	160.53	168.34

Estimation of fair value

The Group obtains independent valuations for its investment properties from an independent 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 31ST MARCH, 2026

Particulars	Gross Block (At Cost)			Amortisation		(Net Block)
	Balance As at 1 st April, 2025	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 st March, 2026	Deductions / Transfers During the year	Balance As at 31 st March, 2026
Computer software	12.37	5.81	-	18.18	2.22	10.86
Trademark	0.10	-	-	0.10	-	0.10
Total	12.47	5.81	-	18.28	2.22	7.32

INTANGIBLE ASSETS AS AT 31ST MARCH, 2025

Particulars	Gross Block (At Cost)			Amortisation		(Net Block)
	Balance As at 1 st April, 2024	Additions/ Adjustment During the year	Deductions During the year	Balance As at 31 st March, 2025	Deductions / Transfers During the year	Balance As at 31 st March, 2025
Computer software	9.35	3.02	-	12.37	1.29	8.64
Trademark	0.10	-	-	0.10	-	0.10
Total	9.45	3.02	-	12.47	1.29	3.73



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 4A RIGHT OF USE ASSETS

The Group has lease contracts for land and buildings in its operation. The Group's obligation under its leases are secured by the lessor title to the lease assets. Generally the Group is restricted from assigning and sub leasing the lease assets.

Set out below are the carrying amounts of rights-of-use assets recognised and the movement during the period: (₹ in Crores)

Particulars	Land	Building	Total
As at 1st April, 2024	15.36	3.94	19.30
Addition/(Deduction) - Net	-	0.95	0.95
Less: Depreciation expenses*	0.22	0.11	0.33
As at 1st April, 2025	15.14	4.78	19.92
Addition/(Deduction) - Net	-	1.27	1.27
Less: Depreciation expenses*	0.22	1.05	1.27
As at 31st March, 2026	14.92	5.00	19.92

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 st March, 2026	As at 31 st March, 2025
Opening Balance	4.90	4.01
Addition/(Deduction) - Net	1.61	1.71
Accretion of Interest	0.19	0.04
Less: Payments	1.44	0.86
Closing Balance	5.26	4.90
Current	1.19	0.35
Non-Current	4.07	4.55

The following are the amounts recognised in profit and loss:

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Depreciation expenses of right of use assets *	1.27	0.33
Interest expenses on lease liabilities	0.19	0.04
Expenses relating to short-term lease and low value leased (included in other expenses)	16.98	13.25
Total amount recognised in Profit and loss	18.44	13.62

The Group had total cash outflow for lease of ₹ 18.42 Crores in 31st March, 2025 (PY ₹ 14.11 Crores)

*Including depreciation capitalised ₹ 0.08 Crores (PY ₹ 0.08 Crores)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 5 INVESTMENTS (NON-CURRENT)

(₹ in Crores)

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
A Investments at Cost				
a) Investment in Preference Shares				
Unquoted				
0.001% Series C Compulsorily Convertible Non-Cumulative Preference Shares of Vay Network Services Private Limited ₹ 2 each	-	-	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
0.01 % Series A Compulsorily Convertible Non-Cumulative Preference Shares of Altigreen Propulsion Labs Private Limited of ₹ 100 each	-	-	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
		-		20.97
B Investment carried at fair value through Other Comprehensive Income				
a) Investment in Equity Shares				
Unquoted				
National Stock Exchange of India Limited of ₹ 1 each	32,07,150	593.32	32,07,150	500.32
BDR Pharmaceuticals International Private Limited of ₹ 10 each	1,094	13.85	1,094	15.24
Care Health Insurance Limited of ₹ 10 each	4,78,795	5.60	4,78,795	7.90
		612.77		523.46
b) Investment in Preference Shares				
0.001% Series C Compulsorily Convertible Non-Cumulative Preference Shares of Vay Network Services Private Limited ₹ 2 each	11,190.00	1.31	-	-
0.0001% Series A&B Compulsorily Convertible Preference Shares of Newspace Research & Technologies Private Limited of ₹ 10 each	2,45,120.00	18.88	-	-
0.01 % Series A Compulsorily Convertible Non-Cumulative Preference Shares of Altigreen Propulsion Labs Private Limited of ₹ 100 each	1,356.00	-	-	-
0.001% Series C Compulsorily Convertible Non-Cumulative Preference Shares of Globalbees Brands Private Limited of ₹ 5 each	104.00	3.42	-	-
		23.61		-



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
C Investment carried at Amortised cost				
a) Investment in Preference Shares				
Unquoted (Fully paid up Shares)				
9.58% Preference Shares of Mercedes-Benz Financial services India Private Limited of ₹ 10,00,000 each	300	30.65	200	20.66
		30.65		20.66
b) Investment in Tax Free Bonds				
Quoted				
7.36% IIFC Tax Free Bond of ₹ 1,000 each	4,00,000	40.53	4,00,000	40.83
		40.53		40.83
c) Investment in Government Bonds				
7.18% Government of India Sovereign Bond ₹ 100 each	15,00,000	14.81	15,00,000	14.79
7.10% Government of India Sovereign Bond ₹ 100 each	5,00,000	5.12	5,00,000	5.13
7.23% Government of India Sovereign Bond ₹ 100 each	5,00,000	5.18	5,00,000	5.20
		25.11		25.12
d) Investment in Perpetual Bonds				
7.55 % SBI Perpetual Bond of ₹ 1,00,00,000 each	-	-	5	4.98
8.70 % HDB Perpetual Bond of ₹ 10,00,000 each	50	5.02	50	5.02
9.50 % Cholamandalam Investment & Finance Perpetual Bond of ₹ 1,00,00,000 each	16	16.24	16	16.27
		21.26		26.27
D Investment carried at fair value through Profit and Loss				
a) Investment in Non-Convertible Debenture/Market Linked Debentures				
Quoted				
Nuvama Wealth Finance Limited of ₹ 1,00,000 each	500	6.06	500	5.39
Shriram Finance Limited of ₹ 1,00,000 each	1,500	16.56	1,500	16.31
MAS Financial Services Limited of ₹ 1,00,000 each	-	-	1,000	9.87
Alpha Alternatives Financial Services Private Limited of ₹ 1,00,000 each	1,274	16.98	424	5.74
360 One Prime Limited of ₹ 1,00,000 each	1,000	12.59	1,000	12.30
9.35% Telangana State Industrial Infrastructure Corporation Limited of ₹ 1,00,000 each	-	-	1,000	10.34
		52.19		59.95

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
b) Investment in Alternate Investment Fund				
Unquoted				
360 One Special Opportunities Fund Series 7 of ₹ 10 each	-	-	1,93,31,093	6.03
360 One India Private Equity Fund - Series 1A of ₹ 10 each	45,90,379	13.92	45,95,852	11.53
360 One Special Opportunities Fund Series 8 of ₹ 10 each	45,80,866	7.17	45,98,258	6.85
360 One Special Opportunities Fund of fund 1 of ₹ 10 each	90,27,646	13.59	90,27,646	12.65
360 One Special Opportunities Fund Series 10 of ₹ 10 each	49,31,343	8.48	49,34,458	8.08
360 One Commercial Yield Fund of ₹ 10 each	94,76,914	11.12	95,06,313	10.89
Ascetis Credit India Fund III of ₹ 100 each	12,35,623	14.03	13,81,500	15.05
Ascetis Credit Select Short Term Income Fund I of ₹ 1,00,000 each	2,976	31.31	1,590	16.32
Ascetis Credit - India Fund IV of ₹ 100 each	25,44,500	25.45	-	-
Chiratae Ventures India Fund IV of ₹ 1,00,000 each	958	12.59	947	13.78
Chiratae Ventures India Fund V of ₹ 1,00,000 each	255	2.38	120	1.04
TVS Shriram Growth Fund 3 of ₹ 1,000 each	97,445	12.16	95,310	13.62
TVS Shriram Growth Fund 4 of ₹ 1,000 each	16,000	1.22	10,000	1.00
Inflexor Technology Fund of ₹ 1,00,000 each	393	4.24	346	3.24
Blume Ventures Fund IX of ₹ 100 each	4,21,681	8.26	4,72,878	10.02
Blume Ventures Fund IV of ₹ 100 each	3,70,000	4.10	3,00,000	3.30
Xponentia Opportunities Fund of ₹ 1,00,000 each	290	3.91	399	6.47
Aventus Future Leader Fund II of ₹ 1,00,000 each	426	6.26	500	6.36
Aventus Future Leader Fund III of ₹ 1,00,000 each	360	3.70	110	1.05
Multiples Private Equity Fund III of ₹ 100 each	4,97,034	6.36	4,94,077	5.68
Multiples Private Equity Fund IV of ₹ 100 each	5,73,820	5.84	3,88,815	3.78
Six Sense India Opportunities III of ₹ 1,000 each	1,78,522	27.18	1,87,774	26.04
3One4 Capital - Fund III of ₹ 1 each	12,36,24,593	24.20	10,69,27,967	16.72
Trifecta Venture Debt Fund III of ₹ 100 each	19,03,544	18.84	19,88,200	19.99
Sageone - Flagship Growth 2 Fund of ₹ 1,000 each	97,836	16.53	97,836	14.57



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
White Oak India Equity Fund V of ₹ 10 each	-	-	99,46,812	13.93
Alchemy Leaders Of Tomorrow Fund of ₹ 100 each	10,05,753	17.07	9,26,916	14.59
Aventus Structured Credit Fund II of ₹ 1,00,000 each	1,076	11.22	2,042	21.32
Aventus Structured Credit Fund III of ₹ 1,00,000 each	3,180	33.52	375	3.76
Innoven Capital India Fund of ₹ 100 each	6,58,046	6.30	10,00,000	10.00
Fireside Ventures Investment Fund III of ₹ 1,00,000 each	200	3.93	200	2.01
Fireside Ventures Investment Fund IV of ₹ 1,00,000 each	89	0.75	-	-
Lighthouse India Fund IV of ₹ 1,00,000 each	320	2.91	221	2.25
Rental Yield Plus of ₹ 10,000 each	10,515	11.73	6,998	7.00
JM Financial Credit Opportunities Fund I of ₹ 1,00,000 each	798	8.70	798	8.32
Sundaram Alternative Opportunities Series - High Yield Secured Real Estate Fund IV of ₹ 1,00,000 each	1,500	15.00	1,050	10.50
Build India Infrastructure Fund of ₹ 100 each	4,57,634	5.48	49,998	0.52
ASK Real Estate Affordable Housing Fund of ₹ 1,00,000 each	1,750	17.50	125	1.25
Alteria Capital Fund II of ₹ 100 each	7,65,406	6.87	11,78,162	10.99
		423.82		340.50
c) Investment in Mutual fund				
Quoted				
Bharat Bond ETF April 2030 of ₹ 1,000 each	10,00,000	154.87	10,00,000	147.39
Bharat Bond ETF April 2031 of ₹ 1,000 each	17,50,233	241.79	17,50,233	230.76
Bharat Bond ETF April 2033 of ₹ 1,000 each	2,99,985	37.64	2,99,985	36.25
		434.30		414.40
Unquoted				
Edelweiss Bharat Bond FOF April 2032 of ₹ 10 each	2,96,92,960	38.34	2,96,92,960	36.73
Edelweiss CRISIL IBX 50:50 Gilt Plus SDL April 2037 Index Fund of ₹ 10 each	4,15,29,107	53.83	4,15,29,107	52.68
Edelweiss Liquid Fund of ₹ 1,000 each	1,12,521	40.07	-	-
		132.24		89.41
Total of Non-Current Investments		1,796.48		1,561.57
Aggregate amount of quoted investments and market value thereof		573.39		566.57
Aggregate amount of unquoted investments.		1,223.09		995.00

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 6 OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Derivative Assets	17.08	84.00
Security Deposits	20.08	19.36
Bank deposits more than 12 months maturity		
In Margin	1.30	2.62
Fixed deposits (CY ₹ 5,097, PY ₹ 5,097)	0.00	0.00
	38.46	105.98

NOTE NO. 7 INCOME TAX ASSETS (NET)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Advance Payments of Taxes and Tax deducted at source (Net of Provisions)	20.23	15.76
	20.23	15.76

NOTE NO. 8 OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(a) Capital Advances	873.94	450.95
(b) Others loans and advances		
VAT/Service Tax Receivable	-	0.41
Prepaid expenses	0.91	1.60
	874.85	452.96

NOTE NO. 9 INVENTORIES

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(At lower of Cost and Net Realisable Value)		
(a) Raw materials (including Goods in transit)	829.05	919.61
(b) Work-in-Progress	209.29	187.88
(c) Finished Goods	513.78	486.06
(d) Stock-in-Trade	115.89	85.43
(e) Stores and Spares	121.36	88.55
(f) Others - Packing Materials and Fuel	19.10	14.40
	1,808.47	1,781.93



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 10 INVESTMENTS (CURRENT)

(₹ in Crores)

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
A Investment at Cost				
Investment in Preference Shares				
Unquoted (Fully paid up Shares)				
Non-Convertible Non-Cumulative Redeemable Preference Shares Music Broadcast of ₹ 10 each	-	-	30,000	0.30
		-		0.30
B Investment carried at fair value through Profit and Loss				
a) Investment in Non-Convertible Debenture /Market Link Debentures				
Quoted				
Shriram Finance Limited of ₹ 1,00,000 each	-	-	500	5.15
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
Avanse Financial Services Limited of ₹ 10,00,000 each	-	-	100	10.75
Krazybee Services Private Limited of ₹ 40,000 each	-	-	769	1.53
Spandana Sphoorty Financial Limited of ₹ 10,00,000 each	-	-	67	1.34
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
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
		-		187.04

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
Unquoted				
Aventus Finance Private Limited of ₹ 10,00,000 each	-	-	300	17.69
		-		17.69
b) Investment in Equity instruments				
Quoted				
Mindspace Business Part REIT of ₹ 10 each	2,44,957	11.00	2,52,800	9.47
National Highways Infra Trust INVIT of ₹ 101 each	18,00,000	29.52	18,00,000	24.03
Energy Infrastructure Trust INVIT	22,25,000	17.35	10,00,000	8.48
Nexus Select Trust REIT	-	-	9,93,510	12.94
India Grid Trust INVIT of ₹ 100 each	-	-	15,18,060	21.39
Indus Infra Trust INVIT of ₹ 100 each	16,15,922	19.95	16,15,922	17.36
NDR INVIT of ₹ 100 each	10,00,000	12.40	10,00,000	10.80
Intelligent Supply Chain Infrastructure Trust INVIT	22,00,000	27.50	22,00,000	24.20
Cube Highway Trust INVIT of ₹ 100 each	24,00,000	35.04	24,00,000	30.00
Capital Infra Trust INVIT of ₹ 99 each	-	-	21,38,546	18.93
Knowledge Realty Trust REIT	9,88,550	11.23	-	-
Maple Infrastructure Trust REIT	10,30,200	15.00	-	-
Nxt-Infra Trust INVIT of ₹ 100 each	10,00,000	10.00	10,00,000	11.00
		188.99		188.60
c) In Mutual Fund				
Quoted				
ICICI Prudential Mutual Fund Nifty 50 ETF of ₹ 10 each	-	-	1,78,544	4.68
Nippon India Mutual Fund ETF Nifty 50 Bees of ₹ 1 each	97,88,246	248.07	95,81,446	252.19
Nippon India Mutual Fund ETF Gold Bees of ₹ 1 each	60,15,497	72.90	60,15,497	44.61
ICICI Prudential Mutual Fund Gold ETF of ₹ 1 each	67,72,054	84.88	55,47,920	42.47
ICICI Prudential Mutual Fund Silver ETF of ₹ 10 each	5,47,000	12.32	5,47,000	5.54
ICICI Prudential Mutual Fund Metal ETF of ₹ 1 each	2,00,000	0.22	-	-
		418.39		349.49
Unquoted				
Aditya Birla Sun Life Liquid Fund of ₹ 100 each	9,00,342	40.07	-	-
Axis Liquid Fund of ₹ 1,000 each	1,30,752	40.07	-	-
HSBC Liquid Fund of ₹ 1,000 each	-	-	19,419	5.02
HDFC Ultra Short Term Fund of ₹ 10 each	1,85,70,668	30.07	-	-
ICICI Prudential Saving Fund of ₹ 10 each	5,20,674	30.06	-	-



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
ICICI Prudential Gilt Fund of ₹ 10 each	-	-	6,37,519	6.92
ICICI Prudential PSU Equity Fund of ₹ 10 each	-	-	61,87,809	12.53
ICICI Prudential Multi Assets Fund of ₹ 100 each	-	-	3,54,013	27.98
ICICI Prudential Equity Saving Fund of ₹ 10 each	-	-	24,38,902	5.70
ICICI Prudential Pharma Healthcare and Diagnostic Fund of ₹ 10 each	-	-	15,42,657	6.00
ICICI Prudential Manufacturing Fund of ₹ 10 each	-	-	43,99,738	14.71
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 Plan of ₹ 10 each	2,66,96,984	187.76	2,66,96,984	184.49
SBI Magnum Income Fund of ₹ 10 each	-	-	19,56,921	14.62
SBI Banking & Financial Services Fund of ₹ 10 each	-	-	14,39,626	6.19
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
UTI Ultra Short Duration Fund of ₹ 1,000 each	63,162	30.06	-	-
Tata Arbitrage Fund of ₹ 10 each	-	-	61,98,549	9.20
Tata Money Market Fund of ₹ 1,000 each	-	-	21,326	10.06
Tata Ultra Short Term Fund of ₹ 10 each	1,92,58,696	30.07	-	-
Canara Robeco Liquid Fund of ₹ 1,000 each	-	-	19,375	6.02
Bajaj Finserv Money Market Fund of ₹ 1,000 each	-	-	44,171	5.03
Kotak Arbitrage Fund of ₹ 10 each	-	-	39,01,016	15.35
Kotak Corporate Bond Fund of ₹ 1,000 each	-	-	13,639	5.25
Kotak Saving Fund of ₹ 10 each	63,91,499	30.08	22,81,501	10.05
Edelweiss Low Duration Fund of ₹ 1,000 each	-	-	79,996	8.04
DSP Multi Asset Allocation Fund of ₹ 10 each	77,27,350	12.07	77,27,350	10.16
DSP Liquidity Fund of ₹ 1,000 each	1,01,690	40.07	-	-
Jio BlackRock Liquid Fund of ₹ 1,000 each	3,83,617	40.07	-	-
Parag Parikh Liquid Fund of ₹ 1,000 each	2,62,999	40.07	-	-
Nippon India Arbitrage Fund of ₹ 10 each	-	-	61,18,418	17.25
Nippon India Liquid Fund of ₹ 1,000 each	14,898	10.05	-	-
Nippon India Nivesh Lakshya Fund of ₹ 10 each	8,66,67,201	154.54	8,66,67,201	156.80
		715.11		570.04

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

Particulars	Units	As at 31 st March, 2026	Units	As at 31 st March, 2025
d) Investment in Alternate Investment Fund				
Unquoted				
360 One India Housing Fund 3 of ₹ 10 each	-	-	1,99,84,241	27.72
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
		-		111.37
C Investment carried at Amortised cost				
Quoted				
a) Investment in Perpetual Bond				
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
8.75 % SBI Perpetual Bond of ₹ 10,00,000 each	5	4.99	-	-
		4.99		111.48
b) Investment in Tax Free Bond				
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
		-		83.93
c) Investment in Commercial Paper				
Quoted				
Motilal Oswal Financial Services Limited of ₹ 5,00,000 each	-	-	400	18.91
		-		18.91
Unquoted				
JM Financial Services Limited of ₹ 5,00,000 each	-	-	700	34.83
Nuvama Wealth Finance Limited of ₹ 5,00,000 each	-	-	400	29.10
		-		63.93
Total Current Investments		1,327.48		1,702.78
Aggregate amount of quoted investments and Market value thereof		612.37		939.45
Aggregate amount of Unquoted investments		715.11		763.33



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 11 TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Trade receivable Considered good - Unsecured	1,446.57	1,494.54
	1,446.57	1,494.54

Refer Note no. 49

NOTE NO. 12 CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Balances with banks	59.65	77.63
Cash on hand	0.40	0.23
Remittance in transit	0.87	2.38
	60.92	80.24

NOTE NO. 13 OTHER BANK BALANCES

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Unpaid Dividends	2.92	2.81
Margin Money (Including Fixed Deposit) [#]	0.67	3.20
	3.59	6.01

[#](Held against guarantee and other commitments)

NOTE NO. 14 LOANS

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Unsecured		
Loans and advances to other than related parties		
Loans receivable - Considered good	-	-
Loans receivable which have significant increase in credit risk	12.22	12.22
Loans receivable - Credit impaired	-	-
	12.22	12.22
Less: Provision for loans which have significant increase in credit risk	12.22	12.22
	-	-
Loans and advances to employees (considered good)	9.28	9.70
Loans to related party*	1.02	-
	10.30	9.70

*Refer Note no. 43

NOTE NO. 15 OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Derivative Assets	5.55	75.12
Interest accrued on Investments	1.74	9.88
Interest accrued on Deposits and Loans	1.21	1.31
Dividend/Income accrued on Investments	3.40	4.04
Security Deposits	1.10	0.55
	13.00	90.90

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 16 OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Advance Payment to Suppliers	209.65	176.86
GST/Excise/Sales Tax/Custom Duty etc. Receivables	248.44	177.17
Prepaid Expenses	26.05	51.27
	484.14	405.30

NOTE NO. 17 SHARE CAPITAL

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Authorised:		
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
	91.75	91.75
Issued Subscribed and fully paid up:		
19,33,17,190 Equity Shares of ₹ 2 each fully paid up	38.66	38.66
	38.66	38.66

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: (₹ in Crores)

Equity Share	As at 31 st March, 2026		As at 31 st March, 2025	
	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
Balance at the end of the year	19,33,17,190	38.66	19,33,17,190	38.66

Shareholder's holding more than 5% Shares in the Company

(₹ in Crores)

Name of Shareholders	As at 31 st March, 2026		As at 31 st March, 2025	
	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	1,77,40,832	9.18	1,07,71,019	5.57

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	Rishabh 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	-
Total		11,26,90,200	58.29	-



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 18 OTHER EQUITY

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
a) Reserves and Surplus		
(i) Capital Reserve		
Opening Balance	0.34	0.34
Add: Movement during the year	-	-
Closing Balance	0.34	0.34
(ii) Other Reserve (General Reserve)		
Opening Balance	5,700.00	5,200.00
Add: Transferred from Profit and Loss account	500.00	500.00
Closing Balance	6,200.00	5,700.00
(iii) Retained Earnings		
Opening Balance	4,418.23	3,572.57
Add: Net Profit for the current year	1,243.10	1,654.96
Less: Interim Dividend	231.98	231.98
Less: Dividend on equity shares	77.33	77.32
Less: Transfer to General Reserve	500.00	500.00
Closing Balance	4,852.02	4,418.23
b) Other Comprehensive Income (OCI)		
(i) Remeasurements of the Net Defined Benefit Plans		
Opening Balance	(19.39)	(15.40)
Movement during the year	0.74	(3.99)
Closing Balance	(18.65)	(19.39)
(ii) Effective portion of Cash Flow Hedges		
Opening Balance	91.51	119.65
Movement during the year	(430.31)	(28.14)
Closing Balance	(338.80)	91.51
(iii) Equity Instruments through Other Comprehensive Income		
Opening Balance	235.00	-
Movement during the year	99.45	235.00
Closing Balance	334.45	235.00
(iv) Foreign Currency Translation Reserve		
Opening Balance	(76.75)	(62.01)
Movement during the year	(35.98)	(14.74)
Closing Balance	(112.73)	(76.75)
	10,916.63	10,348.94

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 Group's cumulative earnings and losses respectively.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

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 mainly 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.

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 st March, 2026	As at 31 st March, 2025
Unsecured - At Amortised cost		
<u>Non-Convertible Debentures</u>		
7.20% Maturing on 23 rd March, 2029	270.00	-
7.38% Maturing on 22 nd March, 2030	270.00	-
7.55% Maturing on 21 st March, 2031	210.00	-
<u>Term Loan from Standard Chartered Bank</u>	18.00	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>Term Loan from Kotak Bank</u>	120.00	-
The Repayment schedule will start from October 2028 in 20 quarterly installments, First 16 installments of ₹ 0.9 Crores and remaining 4 installments of ₹ 26.4 Crores. Rate of Interest is 9%		
Secured - At Amortised cost		
<u>External Commercial Borrowing</u>	-	369.30
External Commercial Borrowing of EURO 60 Million from SMBC (Singapore), the same is secured by first charge by way of hypothecation on all the movable assets of tyre plant of Bhuj, Gujarat. Rate of Interest is 3 months EURIBOR plus spread of 0.52%. The repayment has started from December 2025 in six quarterly equal installments of euro 10 Million each.		
	888.00	387.30

(Refer Note no. 48 for details of securities provided)

NOTE NO. 19A LEASE LIABILITIES (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Lease Liabilities	4.07	4.55
	4.07	4.55



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 20 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Distributors/Dealers Deposits	0.56	0.49
Derivative Liability	279.26	20.47
	279.82	20.96

NOTE NO. 21 PROVISIONS (NON-CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Provision for employee benefits		
Gratuity	45.02	37.54
Leave Encashment	5.42	5.24
Provision for Decommissioning of Assets	0.38	0.46
Others	2.13	5.12
	52.95	48.36

NOTE NO. 22 DEFERRED TAX LIABILITIES (NET)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Net Deferred Tax Liabilities	316.84	456.30
	316.84	456.30

(Refer Note no. 38(ii))

NOTE NO. 23 OTHER NON-CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Deferred Income (Export Incentive)	180.35	102.89
Revenue received in advance	0.02	0.05
	180.37	102.94

NOTE NO. 24 BORROWINGS (CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Unsecured		
From Banks	2,724.75	2,490.28
Secured		
From Banks	56.79	50.19
Current maturity of long-term debt		
Secured		
From Banks (ECB)	436.02	184.65
Unsecured		
Non-convertible Debentures	-	150.00
From Others	-	0.13
	3,217.56	2,875.25

(Refer Note no.48 for details of securities provided)

(Refer Note no.19 for repayment schedule)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 24A LEASE LIABILITIES (CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Lease Liabilities	1.19	0.35
	1.19	0.35

NOTE NO. 25 TRADE PAYABLES (CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Trade Payables (including Acceptances) due to:		
Total outstanding due of Micro and Small Enterprise	51.57	29.34
Total outstanding due of creditors Other than Micro and Small Enterprise	860.69	724.59
	912.26	753.93

(Refer Note no. 44)

NOTE NO. 26 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Interest accrued	4.09	3.11
Unpaid Dividends	2.92	2.81
Derivative liabilities	210.75	16.36
Capital Creditors	267.54	154.08
Others	103.81	125.62
	589.11	301.98

NOTE NO. 27 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Revenue received in advance	119.59	84.07
Security Deposits	57.09	59.43
Statutory dues	186.19	146.57
	362.87	290.07

NOTE NO. 28 PROVISIONS (CURRENT)

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Provision for employee benefits		
Leave encashment	6.01	5.07
	6.01	5.07

NOTE NO. 29 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Sale of Products	10,729.61	10,357.24
Other Operating Revenue:		
Export Incentives	52.33	53.77
Scrap Sales	27.01	26.54
Others	14.13	9.40
	93.47	89.71
Total Revenue from Operations	10,823.08	10,446.95



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
DISAGGREGATION OF REVENUE		
Revenue based on Geography		
Export	7,048.72	7,402.73
Domestic [#]	3,774.36	3,044.22
Revenue from operations	10,823.08	10,446.95
[#] (Including export incentive)		
Reconciliation of Revenue from operations with contract price		
Contract Price	11,120.00	10,647.34
Less:		
Sales returns	20.47	10.19
Sales Incentives and Bonus	230.51	151.92
Others	45.94	38.28
	296.92	200.39
Total Revenue from operations	10,823.08	10,446.95

The amounts receivable from customers become due after expiry of credit period which on an average is less than 45 days. There is no significant financing component in any transaction with the customers.

The Group provides performance warranty for its products. The amount of liability towards such warranty is not material.

NOTE NO. 30 OTHER INCOME

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Interest Income on:		
Non-Current Investments	18.72	33.31
Current Investments	27.15	28.59
Deposits/Loans and Advances/Income tax refund	0.94	1.46
	46.81	63.36
Net gain on foreign currency transaction and translation	-	267.36
Income from Non-current Investment	39.39	67.25
Dividend Income on Investments	17.24	11.94
Net gain/(loss) on sale of Non-Current Investments	42.54	1.35
Net gain on sale of Current Investments	8.98	13.29
Net mark to market gain/(loss) on Investments	79.50	89.41
Profit on sale of Property Plant and Equipment	1.07	9.64
Withdrawal of Provision of Doubtful Loan	-	0.20
Other non-operating income	16.30	14.99
	251.83	538.79

NOTE NO. 31 COST OF MATERIAL CONSUMED

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Raw Material Consumed	5,140.88	4,985.43
	5,140.88	4,985.43

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 32 PURCHASE OF STOCK-IN-TRADE

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Purchase of Traded Goods	165.86	135.63
	165.86	135.63

NOTE NO. 33 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Opening Inventories:		
Work-in-Progress	187.88	172.72
Stock-in-Trade	85.43	78.96
Finished Goods	486.06	447.09
	759.37	698.77
Less:		
Closing Inventories:		
Work-in-Progress	209.29	187.88
Stock-in-Trade	115.89	85.43
Finished Goods	513.78	486.06
	838.96	759.37
Net (Increase)/Decrease in Inventories	(79.59)	(60.60)

NOTE NO. 34 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Salaries and wages	549.07	515.80
Contribution to provident and other funds	31.87	25.35
Staff welfare expenses	15.25	13.21
	596.19	554.36

NOTE NO. 35 FINANCE COST*

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Interest expenses	106.45	109.33
Other borrowing cost	3.69	2.42
Exchange difference regarded as an adjustment to borrowing cost	23.29	16.55
Interest on Lease Liability	0.19	0.04
	133.62	128.34

*Net of borrowing cost capitalised ₹ 4.24. Crores. (PY ₹ 9.76 Crores) The rate used to determine the amount of borrowing cost eligible for capitalization was 9%.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 36 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Depreciation and Amortisation	773.77	680.41
Depreciation of Right-of-use assets	1.19	0.25
	774.96	680.66

NOTE NO. 37 OTHER EXPENSES

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Consumption of stores and spare parts	228.71	268.24
Packing material consumed	34.30	29.55
Power and fuel (Net)	271.42	274.68
Freight and forwarding	506.64	683.09
Labour/Job Charges	266.83	258.86
Water Charges	12.69	11.51
Repairs and Maintenance to Plant & Machinery	42.68	38.60
Repairs and Maintenance to Building	40.80	40.08
Repairs and Maintenance to Others	24.62	27.33
Insurance Charges	40.64	27.84
Rates and Taxes excluding taxes on income (net)	145.99	44.32
Rent	16.98	13.25
Legal and Professional charges	143.39	94.26
Advertisement, Publicity, Sales Promotion and Marketing Service expenses	502.70	439.59
Commission	4.94	4.25
Travelling Expenses	39.11	39.13
Directors Meeting Fees	0.70	0.53
Loss on sale of Property Plant and Equipment Discarded (CY ₹ 141)	0.00	1.38
Interest to Others	0.23	0.17
Net Loss on foreign currency transaction and translation	290.01	-
Contribution towards CSR expenses (Refer Note no.52)	34.04	32.94
Miscellaneous expenses	51.89	44.93
	2,699.31	2,374.53

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 38

i) Tax Reconciliation

(a) The Income Tax expense consists of the followings:

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Current income tax	378.56	477.62
Short/(Excess) provision of earlier year	9.45	-
Deferred tax expense	12.57	54.81
Tax expense for the year	400.58	532.43

(b) Amounts recognised in Other Comprehensive Income

(₹ in Crores)

Particulars	Year ended 31 st March, 2026			Year ended 31 st March, 2025		
	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	0.98	(0.24)	0.74	(5.33)	1.34	(3.99)
(ii) Remeasurement of equity instruments through OCI	91.97	7.48	99.45	298.30	(63.30)	235.00
b) Items that will be reclassified to Profit or Loss						
(i) Effective portion of Cash flow Hedges	(575.04)	144.73	(430.31)	(37.60)	9.46	(28.14)
(ii) Exchange difference on translation	(35.98)	-	(35.98)	(14.74)	-	(14.74)
	(518.07)	151.97	(366.10)	240.63	(52.50)	188.13

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 st March, 2026	Year ended 31 st March, 2025
Profit before tax	1,643.68	2,187.39
Indian statutory income tax rate	25.168%	25.168%
Expected income tax expenses	413.68	550.52
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expenses:-		
Income exempt from income tax	(1.05)	(2.22)
Deduction under Income tax Act	(4.34)	(3.01)
Impact of differential tax rate	(12.81)	(6.60)
Permanent differences	3.83	(0.75)
Effect of Current tax Related to Earlier years	9.45	-
Others	(8.18)	(5.51)
Total Income tax expenses	400.58	532.43
Effective Tax Rate	24.371%	24.341%

The Organisation for Economic Co-operation and Development (OECD) has published the model rules for global minimum tax (Pillar Two model rules). It applies to Groups with consolidated annual revenues exceeding the threshold prescribed under the OECD framework and are designed to ensure that such Groups pay a minimum level of tax of 15% in each jurisdiction in which they operate. Pillar Two legislation has been enacted, or substantively enacted, in certain jurisdictions where the Group operates. Based on the current assessment, the Group does not expect a material financial impact from the application of the Pillar Two rules on its consolidated financial statements. The evaluation of the potential exposure is based on the most recent country-by-country reporting and financial statements for the constituent entities in the Group.

In accordance with Amendments to Ind AS 12, the Group has applied temporary mandatory relief from accounting for deferred tax that arises from implementing Pillar Two legislation.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

ii) Deferred Tax Disclosure

(a) Movement in deferred tax balances

(₹ in Crores)

Particulars	Net balance as at 1 st April, 2025	Recognised in profit or loss	Recognised in OCI	Others (including exchange difference)	As at 31 st March, 2026
					Net Deferred tax assets / (liabilities)
Property, Plant and Equipment	(303.38)	(5.10)	-	-	(308.48)
Investments	(74.08)	(11.85)	-	-	(85.93)
Employee benefits	13.33	2.42	(0.24)	-	15.51
Long Term Equity OCI	(63.30)	-	7.48	-	(55.82)
Cash Flow Hedge	(30.79)	-	144.73	-	113.94
Provision for Doubtful Advances	3.10	-	-	-	3.10
Others (Net)	(1.18)	1.96	-	0.06	0.84
Deferred tax assets/(liabilities)	(456.30)	(12.57)	151.97	0.06	(316.84)

(b) Movement in deferred tax balances

(₹ in Crores)

Particulars	Net balance as at 1 st April, 2024	Recognised in profit or loss	Recognised in OCI	Others (including exchange difference)	As at 31 st 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
Long Term Equity OCI	-	-	(63.30)	-	(63.30)
Cash Flow Hedge	(40.25)	-	9.46	-	(30.79)
Provision for Doubtful Advances	3.15	(0.05)	-	-	3.10
Others (Net)	0.70	(1.89)	-	0.01	(1.18)
Deferred tax assets/(liabilities)	(349.00)	(54.81)	(52.50)	0.01	(456.30)

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.

Based on current assessment, the Group's effective tax rate exceeds the prescribed 15% global minimum corporate tax threshold under Pillar Two, accordingly, no top-up tax liability arises at the group level.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

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 st March, 2026							
	Carrying amount				Fair value			
	Fair value through Profit and Loss	Fair value through Other Comprehensive Income	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:								
Cash and cash equivalents (Including other bank balances)	-	-	64.51	64.51	-	-	-	-
Investments-								
Mutual Fund	1,700.04	-	-	1,700.04	852.69	847.35	-	1,700.04
Debentures	52.19	-	-	52.19	52.19	-	-	52.19
Equities	188.99	612.77	-	801.76	188.99	-	612.77	801.76
Preference shares, bonds and commercial papers	-	23.61	122.54	146.15	-	-	23.61	23.61
Alternate Investment Fund	423.82	-	-	423.82	-	423.82	-	423.82
Loans	-	-	10.30	10.30	-	-	-	-
Trade receivables	-	-	1,446.57	1,446.57	-	-	-	-
Other financial assets	-	-	7.65	7.65	-	-	-	-
Foreign exchange contracts	-	22.63	-	22.63	-	22.63	-	22.63
Security deposits	-	-	21.18	21.18	-	-	-	-
Total	2,365.04	659.01	1,672.75	4,696.80	1,093.87	1,293.80	636.38	3,024.05
Financial Liabilities:								
Long-term borrowings (Including current maturity of Long-term borrowings)	-	-	1,324.02	1,324.02	-	-	-	-
Other financial liabilities (Including Lease Liabilities)	-	-	384.18	384.18	-	-	-	-
Short-term borrowings	-	-	2,781.54	2,781.54	-	-	-	-
Trade payables	-	-	912.26	912.26	-	-	-	-
Foreign exchange contracts	14.62	475.39	-	490.01	-	490.01	-	490.01
Total	14.62	475.39	5,402.00	5,892.01	-	490.01	-	490.01



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

(₹ in Crores)

Particulars	As at 31 st March, 2025							
	Carrying amount				Fair value			
	Fair value through Profit and Loss	Fair value through Other Comprehensive Income	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:								
Cash and cash equivalents (Including other bank balances)	-	-	86.25	86.25	-	-	-	-
Investments-								
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
Preference shares, bonds and commercial papers	-	-	391.13	391.13	-	-	-	-
Alternate Investment Fund	451.87	-	-	451.87	-	451.87	-	451.87
Loans	-	-	9.70	9.70	-	-	-	-
Trade receivables	-	-	1,494.54	1,494.54	-	-	-	-
Other financial assets	-	-	17.85	17.85	-	-	-	-
Foreign exchange contracts	-	159.12	-	159.12	-	159.12	-	159.12
Security deposits	-	-	19.91	19.91	-	-	-	-
Total	2,328.49	682.58	2,019.38	5,030.45	1,199.48	1,288.13	523.46	3,011.07
Financial Liabilities:								
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 contracts	-	36.83	-	36.83	-	36.83	-	36.83
Total	-	36.83	4,307.49	4,344.32	-	36.83	-	36.83

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 Consolidated Financial Statements

for the year ended 31st March, 2026

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
Level: 2			
Forward contracts	Market valuation techniques The Group 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
Level: 1 and Level: 2			
Mutual Fund/Debentures	Net Asset value	Not applicable	Not applicable
Level: 3			
Unlisted Equity Instruments	The fair value for Level 3 instruments is valued using inputs based on information about market participants, assumptions and other data that are available.	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 65% of the sales are export sales. For major part of the sales, customer credit risk is managed by requiring domestic and export customers to pay advances before transfer of ownership, therefore substantially eliminating the Group's credit risk in this respect.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required for credit risk wherever credit is extended to customers.



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for the year ended 31st March, 2026

Impairment

Provision for doubtful debts movement	(₹ in Crores)
Balance as at 1st April, 2024	-
Impairment loss recognised	0.15
Amounts written off	0.15
Balance as at 31st March, 2025	-
Impairment loss recognised	0.50
Amounts written off	0.50
Balance as at 31st March, 2026	-

Concentration of credit risk

At 31st March, 2026, the carrying amount of the Group's most significant customers is ₹ 241.54 Crores (PY: ₹ 148.51 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 31st March, 2026 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 31st March, 2026. The Group 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 of 31st March, 2026, the group had working capital of ₹ 65.47 Crores including cash and cash equivalents of ₹ 60.92 Crores and highly marketable current investments of ₹ 1,327.48 Crores.

As of 31st 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.

Notes forming part of the Consolidated Financial Statements

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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 st March, 2026	Carrying amount	Total	Contractual cash flows			
			1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-Current						
Unsecured Long-term loans and borrowings	888.00	888.00	-	0.54	760.62	126.84
Lease Liabilities	4.07	4.07	-	1.91	2.16	-
Other financial liabilities	0.56	0.56	-	-	0.56	-
Current						
Secured Long-term loans and borrowings	436.02	436.02	436.02	-	-	-
Secured Short-term loans and borrowings	56.79	56.79	56.79	-	-	-
Unsecured Short-term loans and borrowings	2,724.75	2,724.75	2,724.75	-	-	-
Lease Liabilities	1.19	1.19	1.19	-	-	-
Trade payables	912.26	912.26	912.26	-	-	-
Capital Creditors	267.54	267.54	267.54	-	-	-
Unpaid Dividends	2.92	2.92	2.92	-	-	-
Interest accrued	4.09	4.09	4.09	-	-	-
Others	103.81	103.81	103.81	-	-	-
Derivative financial liabilities[#]						
Non-current	279.26	279.26	-	117.41	161.84	-
Current	210.75	210.75	210.75	-	-	-

[#]Includes contracts that are effective as hedges from an economic perspective, but they do not qualify for Hedge Accounting.

(₹ in Crores)						
As at 31 st March, 2025	Carrying amount	Total	1 year or less	Contractual cash flows		
				1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-Current						
Secured Short-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	-
Current						
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 Creditors	154.08	154.08	154.08	-	-	-
Unpaid Dividends	2.81	2.81	2.81	-	-	-
Interest accrued	3.11	3.11	3.11	-	-	-
Others	125.62	125.62	125.62	-	-	-
Derivative financial liabilities						
Non-current	20.47	20.47	-	9.10	11.37	-
Current	16.36	16.36	16.36	-	-	-

*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.



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for the year ended 31st March, 2026

iv. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

a) Currency risk

The group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchase, other expenses and borrowings are denominated and the functional currency of the Group. The functional currency of the Group is Indian Rupees (₹). The currencies in which these transactions are primarily denominated are EURO and USD.

At any point in time, the Group generally hedges its estimated foreign currency exposure in respect of forecast sales / purchases over the forthcoming financial years in advance. The Group mainly 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, mainly uses foreign exchange forward contract and cross currency forward contracts 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 of 31st March, 2026

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of highly probable forecasted sales transactions	Forward contract	USD	INR	163 Million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	INR	259 Million	Sell
Hedges of highly probable forecasted sales transactions	Forward contract	EUR	USD	238 Million	Sell
Other Derivatives	Derivatives	EUR	INR	73 Million	Sell

Following is the derivative financial instruments to hedge the foreign exchange rate risk as of 31st 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	**
Other Derivatives	Derivatives	EUR	USD	17 Million	Buy
Other Derivatives	Derivatives	EUR	INR	85 Million	Sell
Other Derivatives	Derivatives	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 Consolidated Financial Statements

for the year ended 31st March, 2026

Exposure to currency risk*

The summary quantitative data about the group's exposure to currency risk as reported to the management of the group is as follows:

Particulars	As at 31 st March, 2026			As at 31 st March, 2025		
	EUR	USD	Others	EUR	USD	Others
Financial assets (A)						
Trade receivables	857.96	418.53	1.28	955.01	411.65	1.29
Cash and cash equivalent	33.76	15.52	2.04	29.99	27.43	0.87
Security Deposits	0.15	-	-	0.05	-	-
Other	-	0.05	-	-	-	-
Total (A)	891.87	434.10	3.32	985.05	439.08	2.16
Financial liabilities (B)						
Secured Loans	464.37	28.45	-	578.42	25.73	-
Unsecured Loans	2,679.37	-	-	2,346.61	-	-
Interest on Loans	1.81	-	-	3.11		
Trade payables	394.92	167.48	1.91	323.98	155.28	1.62
Other - Capital Creditor	27.03	79.13	-	27.15	52.26	-
Total (B)	3,567.50	275.06	1.91	3,279.27	233.27	1.62
Net statement of financial position exposure	(2,675.63)	159.04	1.41	(2,294.22)	205.81	0.54

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.

31 st March, 2026	Profit/(Loss)		
	Strengthening / Weakening %	Strengthening	Weakening
EUR	10%	(267.56)	267.56
USD	10%	15.90	(15.90)
Others	10%	0.14	(0.14)

31 st 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)

(Note: The impact is indicated on the profit/loss and equity before tax basis)

*Excluding Derivative Assets and Derivative Liabilities



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

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 Group to fluctuations in cash flow due to changes in interest rates.

For details of the Group short-term and long term loans and borrowings, including interest rate profiles, refer to Note No. 19 & 24 of these financial statements.

(₹ in Crores)		
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Fixed-rate Instruments		
Financial Assets	110.42	536.82
Financial Liabilities	(3,394.13)	(1,936.94)
	(3,283.71)	(1,400.12)
Variable-rate instruments		
Financial Assets	-	-
Financial Liabilities	(711.43)	(1,325.48)
	(711.43)	(1,325.48)

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
As at 31st March, 2026		
Variable-rate instruments	(7.11)	7.11
Sensitivity (Net)	(7.11)	7.11
As at 31st March, 2025		
Variable-rate instruments	(13.25)	13.25
Sensitivity (Net)	(13.25)	13.25

(Note: The impact is indicated on the profit/(loss) and equity before tax basis)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

Offsetting financial assets and financial liabilities

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31st March, 2026 and 31st March, 2025. 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
As at 31st March, 2026						
Financial assets						
Derivative financial instruments	22.63	-	22.63	22.63	-	22.63
Total	22.63	-	22.63	22.63	-	22.63
Financial liabilities						
Derivative financial instruments	490.01	-	490.01	490.01	-	490.01
Total	490.01	-	490.01	490.01	-	490.01
As at 31st March, 2025						
Financial assets						
Derivative financial instruments	159.12	-	159.12	159.12	-	159.12
Total	159.12	-	159.12	159.12	-	159.12
Financial liabilities						
Derivative financial instruments	36.83	-	36.83	36.83	-	36.83
Total	36.83	-	36.83	36.83	-	36.83

NOTE NO. 40 HEDGE ACCOUNTING

As part of its risk management strategy, the Group endeavours to hedge its net foreign currency exposure of highly forecasted sale transactions for the forthcoming financial years in advance. The Group uses derivative contracts to hedge its currency exposure. Such contracts are designated as cash flow hedges.

The derivative contracts are generally denominated in the same currency in which the sales realization is likely to take place.

For derivative contracts designated as hedge, the Group 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 Group 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 on prospective basis to ensure that an economic relationship exists between the hedge items and hedging instruments.

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 Group has formally designated and documented hedge relationship from 1st April, 2016.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

Disclosure of effects of hedge accounting on financial position

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

As at 31st March, 2026

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	259 Million EUR/INR 163 Million USD/INR 238 Million EUR/USD	22.64	376.78	Other Financial Asset / Other Financial Liability	FY 2026-27 to FY 2030-31	1 EUR = INR 107.1576 1 USD = INR 91.9485 1 EUR = 1.1612 USD
Derivatives	72.50 Million EUR/INR	-	113.22	Other Financial Liability	FY 2026-27 to FY 2029-30	1 EUR = INR 106.9169

Particulars	Change in fair value for the year	Change in fair Value for the year recognized in OCI (₹ in Crores)	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Foreign exchange forward contract	FY 2025-26	478.70	-	-	-	-
Cross Currency Swap	FY 2025-26	(5.18)	-	-	-	-
Cross Currency Swap	FY 2025-26	(0.33)	-	-	-	-
Derivatives	FY 2025-26	90.98	-	-	-	-
Derivatives	FY 2025-26	11.53	-	-	-	-
Foreign exchange forward contract	FY 2025-26	(0.66)	-	-	-	-

' - ' Represents line items that are not applicable for the current financial reporting period due to zero recognised hedge ineffectiveness

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

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 st March, 2026	As at 31 st March, 2025
Opening balance	91.51	119.65
Effective portion of changes in fair value:		
Foreign currency risk	(575.04)	(37.60)
Net amount reclassified to profit or loss:		
Foreign currency risk	-	-
Tax on movements on reserves during the year	144.73	9.46
Closing balance	(338.80)	91.51

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 st March, 2026	As at 31 st March, 2025
Non-Current Borrowings	888.00	387.30
Current Borrowings	3,217.56	2,875.25
Gross Debt	4,105.56	3,262.55
Less - Cash and Cash Equivalents	60.92	80.24
Less - Current Investments	1,327.48	1,702.78
Net Debt	2,717.16	1,479.53
Total equity	10,955.29	10,387.60
Add/(Less): Hedging reserve	338.80	(91.51)
Equity	11,294.09	10,296.09
Net Debt to Equity ratio	24%	14%

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 shareholders of the group by the weighted average number of Equity shares outstanding during the year.

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Profit attributable to equity shareholders (₹ in Crores)	1,243.10	1,654.96
Weighted average number of shares outstanding during the year	19,33,17,190	19,33,17,190
Nominal Value of Equity Shares (in ₹)	2	2
Earning Per Share Basic and Diluted (in ₹)	64.30	85.61



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

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, Mr. Rishabh Poddar

c) Other Related Parties - (Enterprises-KMP having significant influence/owned by major shareholders):

Clothing Culture Pvt. Ltd, Devkinandan Plastics Pvt. Ltd.

II Related Party Transactions⁵

(₹ in Crores)

Transactions	Year ended 31 st March, 2026		Year ended 31 st March, 2025	
	Relatives of (KMP)	Other related Party	Relatives of (KMP)	Other related Party
Purchase of Goods/Materials	-	30.17	-	27.29
Rent received	-	0.77	-	0.72
Recovery of Expenses (CY ₹ 20,713) (PY 31,822)	-	0.00	-	0.00
Rent Paid	3.72	-	3.72	-
Maintenance expenses	0.14	-	0.14	-
Meeting Fees	0.07	-	0.06	-
Advance Payment against Purchase of Investment property	17.50	-	-	-
Sale of Investment property	-	-	2.00	-
Sale of Goods/Materials	-	0.13	-	-

(₹ in Crores)

Outstanding Balances	Key Management Personnel		Relatives of (KMP)		Other related Party	
	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025
Remuneration payable	55.06	84.07	-	-	-	-
Loan Receivable	1.02	-	-	-	-	-
Trade Payables	-	-	-	-	0.09	-
Advances Receivable	-	-	17.50	-	-	-

III Key management personnel compensation***

Key management personnel compensation comprised the following:

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
a) Remuneration	70.99	99.36
b) Loan	1.02	-
c) Recovery of Expenses- (CY ₹ 13,060) (PY ₹ 4,380)	0.00	0.00

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

Disclosure in Respect of Related Party Transaction during the year:

(₹ in Crores)

Transactions	Year ended 31 st March, 2026		Year ended 31 st March, 2025	
	Relatives of (KMP)	Other related Party	Relatives of (KMP)	Other related Party
Purchase of Goods/ Materials				
Clothing Culture Pvt. Ltd	-	0.48	-	0.18
Devkinandan Plastics Pvt Ltd	-	29.69	-	27.11
Rent received				
Clothing Culture Pvt. Ltd	-	0.77	-	0.72
Recovery of Expenses				
Clothing Culture Pvt. Ltd (CY ₹ 20,713) (PY ₹ 31,822)	-	0.00	-	0.00
Rent Paid				
Mrs. Pooja Dhoot	1.67	-	1.67	-
Mrs. Khushboo Poddar	2.05	-	2.05	-
Maintenance Expenses				
Mrs. Pooja Dhoot	0.06	-	0.06	-
Mrs. Khushboo Poddar	0.08	-	0.08	-
Meeting Fees				
Mrs. Vijaylaxmi Poddar	0.07	-	0.06	-
Advance Payment against Purchase of Investment property				
Mr. Rishabh Poddar	17.50	-	-	-
Sale of Investment property				
Mrs. Pooja Dhoot	-	-	2.00	-
Sales of Goods/ Materials				
Devkinandan Plastics Pvt Ltd	-	0.13	-	-

(₹ in Crores)

Particulars	KMP		Relatives of (KMP)		Other related Party	
	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025
Remuneration payable**						
Mr. Arvind Poddar	29.44	42.00	-	-	-	-
Mr. Rajiv Poddar	25.56	42.00	-	-	-	-
Mr. Vipul Shah	0.02	0.05	-	-	-	-
Mr. Madhusudan Bajaj	0.04	0.02	-	-	-	-
Loan Receivable						
Mr. Vipul Shah	1.02	-	-	-	-	-
Trade Payables						
Clothing Culture Pvt. Ltd	-	-	-	-	0.09	-
Devkinandan Plastics Pvt. Ltd (CY ₹ 32,752)	-	-	-	-	0.00	-
Advances Receivable						
Mr. Rishabh Poddar	-	-	17.50	-	-	-



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

Key management personnel***

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
a) Key management personnel compensation comprised the following:		
Remuneration		
Mr. Arvind Poddar	34.98	47.54
Mr. Rajiv Poddar	29.98	46.42
Mr. Vipul Shah	1.19	0.98
Mr. Madhusudan Bajaj	4.84	4.42
b) Loan		
Loan Given		
Mr. Vipul Shah	1.60	-
Loan Repaid		
Mr. Vipul Shah	0.58	-
Balance Receivable	1.02	-
c) Recovery of Expenses		
Mr. Rajiv Poddar- (CY ₹ 13,060) (PY ₹ 4,380)	0.00	0.00

No amount in respect of related parties have been written off/back or are provided for.

*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.

***Excluding Provision for gratuity and leave encashment.

**Provision for employee benefits, which are based on actuarial valuation done on an overall group basis, is excluded.

NOTE NO. 44 TRADE PAYABLE AGEING AS AT 31ST MARCH, 2026

(₹ 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	51.57	-	-	-	51.57
Others	797.14	18.30	40.40	0.73	856.57
Dispute due MSE	-	-	-	-	-
Dispute due Others	1.49	-	-	2.63	4.12

TRADE PAYABLE AGEING AS AT 31ST 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	605.77	113.58	0.42	0.65	720.42
Dispute due MSE	-	-	-	-	-
Dispute due Others	1.54	-	0.01	2.62	4.17

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

As at 31st March, 2026, 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:

Particulars	(₹ in Crores)	
	As at 31 st March, 2026	As at 31 st March, 2025
a) The principal amount remaining unpaid to any supplier at the end of the year (Including Capital Creditors of ₹ 36.88 Crores (PY ₹ 17.13 Crores))	88.45	46.47
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.

Particulars	(₹ in Crores)	
	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Charge to the Statement of Profit and Loss based on contributions:		
Superannuation	0.81	0.81
Employees' Provident fund	18.90	15.76

(B) Defined Benefit Plan

In accordance with the provisions of the Payment of Gratuity Act, 1972, the group has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the group.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the group makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at 31st March, 2026. 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 Consolidated Financial Statements

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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 st March, 2026	As at 31 st March, 2025
	Gratuity (Funded plan)	Gratuity (Funded plan)
(i) Change in Defined Benefit Obligation		
Opening defined benefit obligation	96.34	84.28
Amount recognised in profit and loss		
Current service cost	9.06	6.88
Past service cost	2.66	-
Interest cost	6.86	6.01
Amount recognised in other comprehensive income		
Actuarial loss / (gain) arising from:		
Demographic assumptions	-	(0.58)
Financial assumptions	(4.80)	6.50
Experience adjustment	4.09	(0.48)
Other		
Benefits paid	(4.05)	(6.27)
Closing defined benefit obligation	110.16	96.34
(ii) Change in Fair Value of Assets		
Opening fair value of plan assets	58.80	58.72
Amount recognised in profit and loss		
Interest income	4.11	4.17
Amount recognised in other comprehensive income		
Actuarial gain / (loss)		
Return on Plan Assets, Excluding Interest Income	0.29	0.11
Other		
Contributions by employer	5.99	2.07
Benefits paid	(4.05)	(6.27)
Closing fair value of plan assets	65.14	58.80
Actual return on Plan Assets	4.41	4.28
(iii) Plan assets comprise the following		
	<u>Unquoted</u>	<u>Unquoted</u>
Insurance fund (100%)	65.14	58.80
(iv) Principal actuarial assumptions used	%	%
Discount rate	7.27	6.78
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 15.00% p.a. For service 5 years and above 5.00% p.a.
Future Salary growth rate	9.00	9.00
Mortality rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
(v) Amount recognised in the Balance Sheet		
Present value of obligations as at year end	110.16	96.34
Fair value of plan assets as at year end	65.14	58.80
Net (asset) / liability recognised as at year end	45.02	37.54
Recognised under:		
Long-term provisions	45.02	37.54
	45.02	37.54

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

(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.

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement) - Gratuity	(8.79)	10.32	(8.21)	9.69
Employee turnover (1% movement) - Gratuity	(0.18)	0.14	(0.66)	0.70
Future salary growth (1% movement) - Gratuity	6.30	(6.17)	6.07	(5.95)

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

Particulars	(₹ in Crores)					
	Less than a year	Between 1-2 years	Between 2-5 years	Sum of Years 6 To 10	Over 11 years and above	Total
As at 31st March, 2026						
Defined benefit obligations (Gratuity)	8.90	7.60	30.13	42.05	164.95	253.63
Total	8.90	7.60	30.13	42.05	164.95	253.63

Particulars	(₹ in Crores)					
	Less than a year	Between 1-2 years	Between 2-5 years	Sum of Years 6 To 10	Over 11 years and above	Total
As at 31st March, 2025						
Defined benefit obligations (Gratuity)	6.52	5.88	24.90	35.66	144.50	217.46
Total	6.52	5.88	24.90	35.66	144.50	217.46

*Other long-term employee benefits:

Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily basic salary for each day of accumulated leave partially at the year end and partially on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31st March, 2026 based on actuarial valuation using the projected accrued benefit method is ₹ 0.19 Crores. (PY ₹ 0.52 Crores).

NOTE NO. 46 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	(₹ in Crores)	
	As at 31 st March, 2026	As at 31 st March, 2025
(i) Contingent Liabilities		
a) Claims against the Group not acknowledge as debts		
Disputed claims for excise, sales tax, customs and service tax	152.84	162.49
Disputed income tax demands	61.72	9.61
Others (Municipal, Gram panchayat tax, Electricity Duty etc.)	13.07	10.98
b) Guarantees given by the Group's bankers on behalf of the Group against the Company's Indemnity	161.46	101.27
c) Bonds / Corporate Guarantee given by the Group:		
To the President of India through commissioner of Custom	494.43	461.84
To Bank against loan taken by subsidiary	-	11.83
To Leasing Company for leasing of vehicle at subsidiary	2.18	-
d) Standby Letter of Credit issued by Group's banker for loan taken by subsidiary	3.60	2.60
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	2,711.84	923.98



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO. 47 REMUNERATION TO AUDITORS*

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
a) Statutory Auditor[#]		
Audit Fees	1.56	1.36
Limited Review	0.16	0.15
Tax Audit	0.34	0.33
Transfer Pricing	0.05	0.05
	2.11	1.89
Income tax matters	0.09	0.40
Company Law Matters	0.11	0.05
	0.20	0.45
Other Services:		
Consolidation & Corporate Governance	0.11	0.11
Other Certification etc.	0.92	0.73
	1.03	0.84
Total	3.34	3.18
b) Cost Auditor		
Audit Fees	0.06	0.05
Reimbursement of expenses (CY ₹ 25,000) (PY ₹ 25,000)	0.00	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 st March, 2026	As at 31 st March, 2025
a) At Parent Company:		
Secured by first charge by way of hypothecation on all the movable assets of tyre plant of Bhuj, Gujarat	436.02	553.95
b) At Subsidiary Companies:		
Secured by first charge by way of security agreement of all the assets of BKT Tires Inc and Guarantee of the Parent Company.	28.45	25.72
Secured by Guarantee of the Parent Company.	28.34	24.47

NOTE NO. 49 TRADE RECEIVABLE AGEING AS AT 31ST MARCH, 2026

(₹ 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	1,432.56	8.17	5.84	-	-	1,446.57
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 31st March, 2026

TRADE RECEIVABLE AGEING AS AT 31ST 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	-	-	-	-	-	-

NOTE NO.50 SEGMENT REPORTING

A. General Information

Factors used to identify the entity's reportable segments including the basis of organisation

For management purposes the group has only one reportable segment as follows:

- Manufacture and sale of tyres

The Managing Director of the group acts as the Chief Operating Decision Maker ("CODM").

The CODM evaluates the group's performance and allocates resources based on an analysis of various performance indicators by operating segments.

B. Geographic information

The geographic information analyses the group's revenue and non-current assets by the group's country of domicile and other countries.

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
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	3,774.36	3,044.22
Revenue from foreign countries		
Europe	4,248.50	4,544.34
North America	1,338.48	1,861.38
Others	1,461.74	997.01
Total	10,823.08	10,446.95

C. Information about major customer

There are no transactions with single customer which amounts to 10% or more of the Group's revenue.

D. Segment Assets

(₹ in Crores)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Non-Current Assets		
In India	10,759.22	8,457.39
Outside India	35.94	28.54
Total	10,795.16	8,485.93



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

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.

31st March, 2026

(₹ 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 (₹)
Parent	100.10%	10,966.25	98.29%	1,221.85	90.17%	(330.12)	101.68%	891.73
Foreign Subsidiaries								
1. BKT USA Inc	0.21%	22.67	0.20%	2.47	(0.51%)	1.87	0.50%	4.34
2. BKT Tires Inc	0.07%	7.86	1.04%	12.89	3.17%	(11.60)	0.14%	1.29
3. BKT Tires (Canada) Inc	0.03%	2.95	0.08%	1.02	0.06%	(0.23)	0.09%	0.79
4. BKT Europe S.R.L.	0.35%	38.42	2.94%	36.61	7.04%	(25.76)	1.24%	10.85
5. BKT Netherlands B.V.	0.00%	0.31	0.04%	0.47	0.07%	(0.26)	0.02%	0.21
Elimination	(0.76%)	(83.16)	(2.59%)	(32.21)	-	-	(3.67%)	(32.21)
Total	100.00%	10,955.30	100.00%	1,243.10	100.00%	(366.10)	100.00%	877.00

31st 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 (₹)
Parent	99.96%	10,383.83	98.39%	1,628.37	107.84%	202.87	99.36%	1,831.24
Foreign Subsidiaries								
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
Total	100.00%	10,387.60	100%	1,654.96	100%	188.12	100.00%	1,843.08

NOTE NO.52 CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITY:

(₹ in Crores)

Sr. No.	Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
1	Amount required to be spent by the Group during the year	34.04	32.94
2	Opening Shortfall/(Surplus) (if any)	8.69	(2.73)
3	Amount of expenditure incurred on		
i)	Construction/acquisition of any assets	37.49	11.71
ii)	On purpose of other than (i) above	6.72	9.81
4	Shortfall/(Surplus) at the end of the year	(1.48)	8.69
5	Reason for shortfall	-	-
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	-	-

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO.53 DIVIDEND PAID AND PROPOSED

(₹ in Crores)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Dividend declared and paid during the year:		
Final Dividend of ₹ 4.00 per share for FY 2024-25 (₹ 4.00 per share for FY 2023-24)	77.33	77.32
Interim dividend of ₹ 12.00 per share for FY 2025-26 (₹ 12.00 per share for FY 2024-25)	231.98	231.98
	309.31	309.30
Proposed Dividends on equity shares:		
Final Dividend recommended by the Board of Directors for the year ended 31 st March, 2026 ₹ 4 per share of ₹ 2 each (31 st March, 2025: ₹ 4.00 per share of ₹ 2 each) subject to approval of shareholders in the ensuing annual general meeting.	77.32	77.33

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. 54 RATIOS

(₹ in Crores)

Sr. No.	Particulars	Numerator	Denominator	Year Ended		Variance %	Remarks for variance more than 25%
				31 st March, 2026	31 st March, 2025		
1	Current Ratio (In times)	Current Assets	Current Liabilities	1.01	1.32	(23.16)	
2	Debt-Equity Ratio (In times)	Total Debt	Shareholder's Equity	0.37	0.31	19.32	
3	Debt Service Coverage Ratio (In times)	Earnings available for debt service	Debt Service	5.31	6.47	(17.84)	
4	Return on Equity (ROE) (%)	Net Profits after taxes	Average Shareholder's Equity	11.65	17.20	(32.28)	There has been decrease in profit margin during the year
5	Inventory Turnover (In times)	Cost of goods sold	Average Inventories	9.00	9.49	(5.15)	
6	Trade receivables Turnover (In times)	Net Sales	Average Trade Receivables	7.30	7.05	3.56	
7	Trade Payables Turnover Ratio (In times)	Total Purchase	Average Trade Payables	9.57	9.55	0.19	
8	Net capital turnover ratio (In times)	Net Sales	Working Capital	15.22	8.90	71.04	There has been decrease in working capital during the year
9	Operating Margin (%)	Operating Profit	Net Sales	14.22	17.16	(17.13)	
10	Net profit ratio (%)	Net Profit	Net Sales	11.59	15.98	(27.49)	There has been decrease in profit margin during the year
11	Return on capital employed (ROCE) (%)	Earning before interest and taxes	Capital Employed	11.58	16.44	(29.59)	There has been decrease in profit margin during the year
12	Return on investment (%)	Income generated from investments	Average Investments	14.38	19.76	(27.21)	There has been decrease in cash flow during the year
13	Interest coverage ratio (In times)	Earnings before interest and taxes (EBIT)	Finance Cost	13.30	18.04	(26.28)	There has been decrease in profit margin during the year



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2026

NOTE NO.55 OTHER STATUTORY INFORMATIONS

- i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii) The Group does not have any transactions with struck off companies.
- iii) The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- vi) The Group 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 Group (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 Group.
- viii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- ix) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

NOTE NO.56

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising 4 labour codes (the New Labour Codes), effective from November 21, 2025. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Holding Company has ascertained its estimated obligations under the New Labour Codes.

Accordingly, the Holding Company has recognised incremental estimated obligations aggregating to ₹8.32 Crores under "Employee benefits expense" on account of employees past services, based on actuarial valuation and best estimate in accordance with Ind AS 19 - 'Employee Benefits' and consistent with guidance provided by the Institute of Chartered Accountants of India.

NOTE NO.57

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

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: 8th May, 2026

For and on behalf of the Board of Directors

ARVIND PODDAR

Chairman & Managing Director

VIPUL SHAH

Director & Company Secretary

Place: Mumbai

Dated: 8th May, 2026

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