

REGISTERED OFFICE :

'Bommidala House'

5-87-15/A, Lakshmipuram Main Road

GUNTUR - 522 007, INDIA

Tel : +91 863 2355108

Fax : +91 863 2358453

e-mail : bkvind@bommidala.co.in

PAN : AACCB3364P

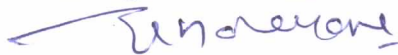
BKV INDUSTRIES LIMITED

"and reduced"

FORM - A

1.	Name of the Company	BKV Industries Limited
2.	Annual financial statements for the year ended	31 st March, 2015
3.	Type of Audit observation	Un- qualified
4.	Frequency of observation	N.A.
5.	To be signed by: Managing Director Chief Financial Officer Auditor of the Company Audit Committee Chairman	Bommidala Rama Krishna, Arisetty Sai Prasad Garlapati & Co., Chartered Accountants. Tunuguntla Rama Krishna Independent Director.

For Garlapati & Co.,
Chartered Accountants,
Firm Regn. No: 00892S

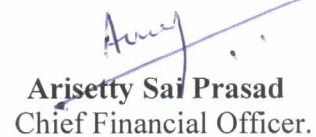


Satyanarayana Garlapati,
Partner
Membership no: 022101

For **BKV Industries Limited,**



Bommidala Rama Krishna
Managing Director.
DIN: 00105030



Arisetty Sai Prasad
Chief Financial Officer.



Tunuguntla Rama Krishna
Audit Committee Chairman
DIN: 02324865

BKV INDUSTRIES LIMITED and reduced

CIN No: L05005AP1993PLC015304

"Bommidala House",

D.No:5-87-15/A, Lakshmipuram Main Road, Guntur – 522007.

Email: bkvind@bommidala.co.in

Phone: 0863-2355108, Fax No: 0863-2358453

Serial No. :

Name and Registered Address of the Sole/First
named Shareholder :

Joint Holder(s) :

Folio No. /DIP ID/ Client ID :
No. of Shares held :

Dear Shareholder(s):

Please find enclosed the Notice convening the 22nd Annual General Meeting of the BKV Industries Limited , " and reduced" (the Company) to be held on 14th September 2015 at 03.30 PM at Bommidala Cold Complex, By- pass Road, Lalpuram, Guntur -522017.

The Company is offering e-voting facility to its Members enabling them to cast their votes electronically. The Company has appointed M/s. Karvy Computershare Private Limited ('Karvy') for facilitating e-voting to enable the Members to cast their vote electronically pursuant to section 108 of the Companies Act, 2013 and Rule 20 of Companies (Management and Administration) Rules, 2014 as amended.

In this regard, please turn over for detailed process and manner for e-voting:

Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rule 2014, the Company is pleased to inform that all the resolutions as stated in the notice can be transacted by electronic voting system and the company has provide members facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means through e-voting services provided by Karvy:

The instructions for e-voting are as under:

- A. In case a Member receives an email from Karvy [for members whose email IDs are registered with the Company/ Depository Participants (s)]:
 - i. Launch internet browser by typing the URL: <http://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e. User ID and password mentioned above). Your Folio No. / DP ID- Client Id will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - iii. After entering these details appropriately, click on "LOGIN".
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommend that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVENT" i.e., BKV Industries Limited.
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cutoff Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAIST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii. Shareholders holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts.
 - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any numbers of times till they have voted on the Resolution(s).
 - xii. Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI etc.,) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e mail ksrao21@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "BKV Industries Limited, 22nd Annual General Meeting". The documents should reach the Scrutinizer and such other person on or before 12th September 2015 at 05.00 P.M.
- B. In case of Members receiving physical copy of the AGM Notice by Courier [for Members whose email IDs are not registered with the Company/Depository Participant(s)]:
 - i. User ID and initial password as provided below.
 - ii. Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.
- C. The e-voting period commences on 11th September 2015 at 09.00 A.M. and ends on 13th September 2015 at 05.00 P.M. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date, being 05th September 2015, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not vote at the AGM.
- D. The members who have cast their vote by e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- E. The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Agency to provide e-voting facility.
- F. The Board of Directors of the Company has appointed Mr. K. Srinivasa Rao, Practicing Company Secretary as Scrutinizer to scrutinize the Insta Poll and e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- G. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 05th September 2015.
- H. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 05th September 2015 only shall be entitled to avail the facility of e-voting / Insta Poll.
- I. The e-voting facility will be available during the following period: Commencement of e-voting: From 09.00 A.M. (IST) on 11th September 2015
End of e-voting : Up to 05.00 P.M. (IST) on 13th September 2015. The remote e-voting will not be allowed beyond the aforesaid date and time and the e- voting module shall be disabled by Karvy upon expiry of aforesaid period.
- J. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, will first count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and will make, not later than 48 hours from the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Managing Director or a person authorised by him in writing who shall countersign the same. The Managing Director or a person authorised by him in writing will declare the result of voting forthwith.
- K. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 14th September 2015.
- L. The Results on resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
- M. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.bkvindustries.com) and on Service Provider's website (<https://evoting.karvy.com>) and communication of the same to the BSE Limited and the National Stock Exchange of India Limited within 48 hours from the conclusion of the AGM.

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN

BKV INDUSTRIES LIMITED

'and reduced'



TWENTY SECOND ANNUAL REPORT

2014-15

BOARD OF DIRECTORS**Sri Bommidala Rama Krishna**

Member: Stakeholders Relationship Committee,
Share Transfer Committee

Managing Director

Smt. Bommidala Anitha

Chairperson: Stakeholders Relationship Committee,
Share Transfer Committee,
Risk Management Committee

Member: Audit Committee,
Nomination & Remuneration Committee

Non Executive Director

Sri Nellore Dolendra Prasad

Chairman: Nomination & Remuneration Committee
Member: Audit Committee

Independent Director

Sri Tunuguntla Rama Krishna

Chairman: Audit Committee
Member: Nomination & Remuneration Committee,
Stakeholders Relationship Committee,
Share Transfer Committee,
Risk Management Committee.

Independent Director

REGISTERED OFFICE:

"Bommidala House",
D.No: 5-87-15/A, Lakshmipuram, Main Road,
GUNTUR - 522 007.
Phone: + 91 863 2355108
Fax : + 91 863 2358453
Website: www.bkvindustries.com
CIN: L05005AP1993PLC015304

STOCK EXCHANGES :

BOMBAY STOCK EXCHANGE LIMITED,
Rotunda Building, 25th Floor,
P.J. Towers, Dalal Street, Fort, MUMBAI - 400 001.

THE CALCUTTA STOCK EXCHANGE LTD.,
7, Lyons Range, KOLKATA – 700 001.

BANKERS :

ANDHRA BANK
150- Guntur Main,
Near Gowri Shankar Theatre,
Kothapet, GUNTUR 522 001.

AUDITORS:

M/S. GARLAPATI & CO.,
Chartered Accountants,
D.No:6-3-11, 3/4, Arundelpet,
GUNTUR – 522 002.

INTERNAL AUDITORS:

M/S. JONNALAGADDA & ASSOCIATES,
Chartered Accountants,
New No:104 (Old No:54), Thiruvalluvarpuram,
II Street, Choolaimedu,
CHENNAI- 600 094.

SECRETARIAL AUDITORS:

M/S.K. SRINIVASA RAO & CO.,
Company Secretary in Practice,
D.No:6-13-14A, 13/3, Arundelpet,
GUNTUR – 522 002.

REGISTRARS & SHARE TRANSFER AGENTS:

M/S.KARVY COMPUTERSHARE (P) LIMITED,
Karvy Selenium Tower B,
Plot No. 31 & 32, Gachibowli, Financial District,
Nanakramguda, Serilingampally, HYDERABAD – 500 008.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Second Annual General Meeting of the members of BKV Industries Limited. "and reduced" will be held on Monday the 14th September, 2015 at 03.30 P.M. at Bommidala Cold Complex, By-pass Road, Lalpuram, Guntur – 522 017 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Statement of Profit and Loss and Cash Flow Statement for the financial year ended 31st March, 2015 and the Balance Sheet as at that date together with the reports of the Board of Directors and Auditors there on.
2. To appoint a Director in place of Smt. Bommidala Anitha (DIN 00112766), who retires by rotation and being eligible, offers her self for re-appointment
3. To re-appoint M/s Garlapati & Co, Chartered Accountants (Firm Regn. No:000892S) as auditors to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting of the company and to fix remuneration and out of pocket expenses.

By order of the Board of Directors

Place: Guntur

Date :23rd July, 2015

BOMMIDALA RAMA KRISHNA

Managing Director

DIN: 00105030

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, and vote on a poll, instead of himself / herself and such proxy need not be a Member of the company. The proxy form is enclosed which should be deposited at the Registered Office of the Company duly completed and signed, not later than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a proxy for any other person or shareholder.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 07th September, 2015 to 14th September 2015 (both days inclusive).
3. Members holding shares in physical form are requested to intimate any change in the address to the Company or to the Registrar & Share Transfer Agents M/s. Karvy Computershare Pvt Ltd. Members holding shares in de-materialized form are requested to notify any change in address to their respective Depository Participants (DPs).
4. Members are requested to bring their admission slip along with copy of the Annual Report to the Annual General Meeting.

5. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or "Karvy" for assistance in this regard.
6. Brief resume of Smt. Bommidala Anitha (DIN: 00112766), nature of her expertise in specific functional areas, names of companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships among directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges is annexed to this notice.
7. As per the provisions of section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014, Shareholders holding shares in physical form may file nomination in the prescribed SH-13 with the Company's Registrar and Share Transfer Agents. In respect of shares held in d-mat form, the nomination form may be filed with the respective Depository Participant.
8. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents M/s. Karvy Computershare Pvt. Ltd. (Karvy).
9. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
10. E- Voting:
Pursuant to Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Clause 35B of the Listing Agreement, the Company is pleased to provide its members the facility to exercise their right to vote on resolutions proposed in the notice of the twenty second Annual General Meeting (AGM) by electronic means the business may be transacted through e-voting services provided by our Share Transfer Agents of Karvy Computershare Private Limited, Hyderabad. The instructions for members for voting are given in separate note enclosed to this report.

Item No.2

Additional Information with respect to Item No. 2 and information under clause 49 of the Listing Agreement regarding re-appointment of Director:

Smt. Bommidala Anitha (DIN 00112766) retires by rotation as Non-Executive Director of the Company. She is not disqualified from being appointed as a Director in terms of Section 164 of the Act and

has given her consent to act as a Director. Brief resume of Smt. Bommidala Anitha and additional information pursuant to Clause 49 of the Listing Agreement executed with Stock Exchanges are given below:

Smt. Bommidala Anitha is a Law Graduate and underwent training in Personnel Management. She has rich experience and knowledge in areas like legal, banking and HR related activities. Her knowledge of legal aspects will be considerable assistance to the management in complying with various Government and Other Rules, Procedures and Regulations. Smt. Bommidala Anitha is not a Director on the

Board of any other Company. She is a Chairperson of Share Transfer Committee, Risk Management Committee and Stakeholders Relationship Committee. She is also a member in Audit Committee, Nomination & Remuneration Committee. Sri Bommidala Rama Krishna and Smt. Bommidala Anitha are interested in the resolution.

By order of the Board of Directors

Place: Guntur

Date :23rd July, 2015

BOMMIDALA RAMA KRISHNA

Managing Director

DIN: 00105030

DIRECTOR'S REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

Your Directors have pleasure in presenting you the Twenty Second Annual Report together with Audited Accounts for the year ended 31st March, 2015.

(Rs. In Lakhs)

PERFORMANCE OF THE COMPANY

	For the year ended 31/03/2015	For the year ended 31/03/2014
Sales & Other Income	27.13	37.29
Profit/(Loss) before interest and Depreciation	0.78	(3.01)
Depreciation	1.15	2.72
Net Profit / (Loss) before Tax & Exceptional items	(0.37)	(5.73)
Exceptional & Extra-Ordinary items	-	7.25
Income Tax	0.10	0.15
Profit on Sale of Assets	-	4.98
Net Profit/(Loss) after Tax & Exceptional Items	(0.47)	(0.96)

COMPANY'S PERFORMANCE AND OPERATIONS:

The Aqua Farm situated at Isakapalli was given on lease during July, 2013 for seven years. Operating in volatile and uncertain environment at that time, the company had given the farm on long term lease, netted a gross income of Rs.27.13 lakhs and incurred a marginal loss of Rs.0.47 lakhs.

DIVIDEND AND RESERVES

In view of considerable accumulated losses, no dividend is declared and not transferred any amount to reserves.

FUTURE PROSPECTS:

Sea food exports fell just short of the targeted \$6 Billion for the year 2014-15, but have still peaked to a new high crossing 1 Million tonnes in volumes for the first time. Frozen shrimps continued to be the flagship product, accounting for a share of 34% in quantity and 67% in US \$ value of the total exports. Vannamei, grown in aquaculture farms was the main item under shrimps. This is achieved despite the problems in the world market like depreciation of Euro, weak economic conditions in China and devaluation of Yuan.

The company in order to reduce the losses, the company had given the farm at Iskapally for a long term lease so that it could be put to better use and the company will not have any burden of maintenance. As there is a considerable improvement in the economy revival, the promoters are exploring opportunities in various fields to revive the fortunes of the company. The lessee had considerably improved the infrastructure in farm and operating,

with no or negligible maintenance costs to the Company in immediate future, thereby reducing the financial costs to the Company except the statutory compliance costs.

PARTICULARS REGARDING ENERGY CONSERVATION etc.:

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in Annexure V to this Report.

SUBSIDIARY:

The company does not have any subsidiary.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Articles of Association of the Company, Smt. Bommidala Anitha (DIN: 00112766), Non-executive Woman Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment.

As required under clause 49 of the Listing Agreement a brief resume, expertise and details of other directorships of Smt. Bommidala Anitha (DIN:00112766) annexed to the Notice convening the 22nd Annual General Meeting of the Company.

All the Independent Directors viz., Sri Tunuguntla Rama Krishna (DIN:02324865) and Sri Nellore Dolendra Prasad (DIN:01816366) have

submitted declarations confirming that they continued to meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

The Board met 7 times during the financial year 2014-15, the details of which are given in the Corporate Governance Report.

In accordance with the provisions of Section 134 of the Act and Clause 49 of the Listing Agreement, the Board had carried out an evaluation of its own performance, the performance of Committees of the Board, namely, Audit Committee, Risk Management Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee and also the directors individually. The manner in which the evaluation was carried out and the process adopted had been mentioned in the Corporate Governance Report.

The Board, on the recommendation of the Nomination & Remuneration Committee, has framed a policy for selection and appointment of Directors, Senior Management and their remuneration and also framed the criteria for determining experience, qualifications, positive attributes and independence of directors.

Sri Bommidala Rama Krishna (DIN: 00105030), Managing Director and Mr. Arisetty Sai Prasad, Chief Financial Officer (who had been appointed during the year) are the Key Managerial Personnel of the Company as per Section 203 of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the financial year 2014-15, the Company has not given any guarantees/loan or made any investments. However during the year, the company has repaid an amount of Rs.10.90 Lakhs due as on 31st March, 2014, but received Rs.4.35 Lakhs (after the repayment of Rs.3.25 lakhs) interest free loan from Mr. Bommidala Rama Krishna, Managing Director.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure VII to the Board of Directors report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors:

The Shareholders at the 21st Annual General Meeting held on 13th September, 2014, had appointed M/s Garlapati & Co., Chartered Accountants (Firm Regn.No:000892S) as Statutory Auditors of the Company to hold office until the conclusion of 22nd Annual General Meeting. M/s Garlapati & Co., being eligible has expressed their willingness to continue as Statutory auditors of the Company and accordingly, the company has received a letter from them to the effect that appointment, if made would be within the prescribed limits under section 141(3)(g) of the Companies Act, 2013 that they are not disqualified for re-appointment and their appointment is recommended to the Shareholders.

EXPLANATION FOR AUDITORS EMPHASIS OF MATTER:

- (a) Regarding Non- Agriculture Tax, there was no demand from the concerned department. However, the company had shown the amount as contingent liability under other notes on account.
- (b) Regarding the preparation of accounts on going concern basis the notes

in Independent audit report is self explanatory and the company had given the farm on long term lease and got steady income and been able to meet its operational expenses.

Internal Auditors:

The Board, as required under Sec 138 of Companies Act, 2013, in consultation with Audit Committee had appointed M/s. Jonnalagadda & Associates, Chartered Accountants (Firm Regn. No:01358S) as internal auditors for the year 2014-15.

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s K. Srinivasa Rao & Co, Company Secretaries in practice as the Secretarial Auditor to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is given in Annexure-III to this Report. There were no qualifications, reservations or adverse remarks given by Secretarial Auditor except non-compliance of section 203 of the Companies, 2013 in respect of appointment the Company Secretary as Key Managerial Person.

The Board has made utmost effort for appointment of the Company Secretary as KMP but has not been able to appoint a Company Secretary due to lack of suitability of the Candidate to the profile of the Company in terms of work location, job profile and remuneration.

RISK MANAGEMENT:

As required under Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

The Company has put in place a mechanism to identify, assess, monitor and mitigate various risks to its key business objectives. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. The Company has formulated a Risk Management Policy which is also available on the Company's website at www.bkvindustries.com

INTERNAL FINANCIAL CONTROLS:

The Company has adequate Internal Financial Controls with proper checks to ensure that transactions are properly authorised, recorded and reported apart from safeguarding its assets. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

The internal auditors of the Company review the controls across the key processes and submit reports periodically to the Management and significant observations are also presented to the Audit Committee for review. Follow up mechanism is in place to monitor the implementation of the various recommendations.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:

Section 135 of the Companies Act, 2013 provides the threshold limit for applicability of the CSR to a Company i.e. (a) net worth of the Company to be ' 500 crore or more; or (b) turnover of the company to be ' 1,000 crore or more; or (c) net profit of the company to be ' 5 crore or more. As the Company does not fall under any of the threshold limits given above, the provisions

of Section 135 are not applicable to the Company.

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered into during the financial year with the related parties were on arm's length basis and were in the ordinary course of business. Section 188(1) of the Companies Act, 2013 exempts related party transactions that are in the ordinary course of business and are on arm's length basis. However, under clause 49 of the Listing Agreement, all material Related Party Transactions require approval of the shareholders through special resolution. However, during the year, there are no material related party transactions, other than the ordinary transactions. The Board of Directors and the Audit Committee have also approved the said related party transactions.

There are no materially significant related party transactions with the promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The policy on dealing with Related Party Transactions as approved by the Board is available at the investors section of the Company's website at www.bkvindustries.com

The particulars of contracts/arrangements entered into by the Company with related parties as required to be disclosed are given in Annexure IV to this Report.

CORPORATE GOVERNANCE:

The Managing Director and the Chief Financial Officer have submitted a certificate to the Board regarding the financial statements and other matters as required under the Listing Agreement. Statutory Auditor's certificate on Corporate Governance compliance is attached to Corporate Governance report.

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement, form part of this Annual Report.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND:

The company has not declared any dividend till date from inception and hence not applicable.

DISCLOSURES:

Committees of the Board

During the year, in accordance with the Companies Act, 2013 the Board re-constituted/re-named some of its Committees and presently the Company has the following Committees:

- ❖ Audit Committee
- ❖ Nomination & Remuneration Committee
- ❖ Stakeholders Relationship Committee
- ❖ Share Transfer Committee
- ❖ Risk Management Committee

The details of all the Committees along with their composition, terms of reference and meetings held during the year are provided with in the "Report on Corporate Governance" forming part of this Annual Report.

Vigil Mechanism & Whistle Blower Policy

The Company has a vigil mechanism and a whistle blower policy. The same has been posted on the Company's website and the details of the same are given in the Corporate Governance Report.

EXTRACT OF THE ANNUAL RETURN

The details of the extract of the Annual Return in Form MGT-9 are given in Annexure- VI to this Report.

LISTING AGREEMENT WITH STOCK EXCHANGES:

As per the requirement of Listing Agreement, the Company declares that its securities are listed on the Stock Exchanges of Bombay, Delhi, Kolkata, Chennai and Hyderabad. The company confirms that it has paid annual listing fees to the Stock Exchanges of Bombay, Madras, Delhi and Kolkata for the year 2014-2015. The Hyderabad Stock Exchange Ltd, Madras Stock Exchange Limited & Delhi Stock Exchange Association Limited had since informed that SEBI de-recognized these Stock Exchanges.

During the year Kolkata Stock Exchange is yet to send their bill for Listing fees, hence the fees for 2015-16 have not been paid.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the provisions contained in Section 134(3) of the Companies Act, 2013, your Directors to the best of their knowledge and belief and according to information and explanations obtained from the management, confirm that:

- in the preparation of the annual accounts for the financial year ended March 31, 2015, 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 except the depreciation accounting policy as per statute change and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the cash flows and loss of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the 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 on a going concern basis.
- The Directors have laid down proper internal financial controls to be followed by the Company and such controls are adequate and operating effectively.
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively

GENERAL:

Your Directors state that no disclosure is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.

2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. No orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.

MANAGEMENT DISCUSSION & ANALYSIS

A. INDUSTRY, STRUCTURE, DEVELOPMENT AND OUTLOOK.

Indian Sea food exports fell short of the targeted \$ 6 Billion for the year 2014-15, but have still peaked to a new high-crossing 1 Million Tonnes in volume for the first time. The total export of the marine products was 10,51,243 Tonnes valued at Rs.33,441.61 Cr (Billion US \$ 5.51) during the year. This represents a raise of 7% in quantity and 11% in value. The Growth in \$ terms was 10%. In 2013-14, the marine products exports from India stood at 9,83,756 Tonnes valued at Rs.30,213.26 Cr (US\$ 5.09 Billion). Frozen shrimps continued to be the flagship product, accounting for a share of 34% in quantity and 67% in US \$ value of the total exports. Vannamei, grown in aquaculture farms, was the main item under shrimps. Of the overall sea food exports, shrimps comprised 3,57,505 Tonnes valued around US\$ 3.7 Billion. This is achieved despite the problems in the world market like depreciation of Euro, weak economic conditions in China and devaluation of Yuan.

B. OPPORTUNITIES, THREATS, RISKS AND CONCERNS

Asia-Pacific is the leading region on the global fish market, expanding thanks to economic growth, higher income levels and better spending power in developing regions like India and China. Fresh, frozen and chilled fish comprise the main market segment, with shellfish continuing to exhibit the most rapid growth. The overall market forecast for the global aquaculture and fisheries market is favorable, with a degree of recovery in trade and therefore production, across several major markets. The opportunities of seafood industry globally include in earning foreign exchange, providing employment in marine sector and achieving economies of scale by producing more output with lower cost. The risks involved in the industry being, lack of proper infrastructural facilities with respect to storage, imposing of heavy terminal handling charges, stringent policies regarding Food safety imposed by importing countries and depletion of resources by over catching of fish. Anti-dumping duties levied by the USA, based on the administrative review (AR) are another blow to the industry, thereby increasing of vulnerability of India's small scale fishing communities, harvesters and processors. It has become a difficulty for the Indian exporters to comply with the strict regulations undeniably, as the USA is the second largest importer of fishing exports from India.

RISKS AND CONCERNS:

Pursuant to Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee. The details of the Committee, its terms of reference are given in the corporate governance report. The methodology for risk management primarily involves mapping of risks with strategy, assessing the risks on its importance, identifying de-risking measures and assigning it to risk owners and continuously monitoring the status of the risks. The risks were categorized into Strategy & Planning, operations and compliance and the risks associated with each risk category was further

classified and identified as 'critical', 'major' and 'moderate'.

The company does not foresee any critical / major risk as it had already given its farm on long term lease and the lessee is meeting their commitments as per the lease agreement. The maintenance and compliance expenses of the company are taken care through the lease payments, hence, the company does not foresee any major risk for its operations in the short and medium term.

The management periodically reviews the risk management framework to identify the major business risks as applicable to the Company and works out their mitigation strategy.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has well-established processes and defined the roles and responsibilities for people at various levels. The control mechanism also involves well documented policies, authorization guidelines commensurate with the level of responsibility specific to the respective businesses. Adherence to these processes is ensured through frequent internal audits. The internal audits conducted are reviewed by the Audit Committee and requisite guidelines and procedures augment the internal controls. The internal control system is designed to ensure that financial and other records are reliable for preparing financial statements and other information which ensures that all transactions are properly reported and classified in the financial records. Further the Company had given its farm on long term lease and did not carry any other business operations during the year.

D. FINANCIAL PERFORMANCE

The financial statements are prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. The management accepts the responsibility of integrity and objectivity of the financial statements and the basis for various estimates and the judgments used in preparing the financial statements.

During March, 2013, the company entered into a lease agreement of its Farm for a period of 84 months with effect from July, 2013, as the promoters have decided to meet with Lease Income the fixed expenses/ costs. The company has to seize the opportunities as and when the economy provide the profitable business opportunities and to control further losses in operations and to maintain the farm assets with negligible costs to the company. With these steps, the company could perform reasonably and ended up with a marginal cash profit.

Particulars	Rs. In Lakhs
Farm Lease Income	27.00
EBIDTA	0.78

E. DEVELOPMENTS IN HUMAN RESOURCES:

In a challenging and competitive environment, the Company believes that people are the key to success and continues to focus on people capabilities by leveraging technology and creating a learning environment. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

F. CAUTIONARY STATEMENT:

The management discussion and analysis report containing your Company's objectives, projections, estimates and expectation may constitute certain

statements, which are forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in the statement. As the company had given its farm assets on long term lease and that being the only source of income for the company, changes in the government regulations, compliance frame work, tax laws and other factors, may affect the future earnings of the company. The Company cannot guarantee the accuracy of the assumptions and perceived performance of the Company in future.

DELISTING OF SHARES:

Company's Ordinary Equity shares are originally listed in the Stock Exchanges of Mumbai (BSE) and four other Stock Exchanges at New Delhi, Kolkata, Chennai and Hyderabad. The shares of the company are compulsorily traded in dematerialized form. The Board considered that continued listing on all stock exchanges was not necessary and therefore decided to de-list from Delhi and Calcutta stock exchanges in pursuance of special resolution passed in the 14th Annual General Meeting held on 28th September, 2007. However, the company was informed by Madras Stock Exchange Limited, Hyderabad Stock Exchange Limited, The Delhi Stock Exchange Association Limited, that SEBI had de-recognized the above Stock Exchanges. Company is yet to hear from Kolkata Stock Exchange and not received any bill for Listing Fees from them for the year 2015-16.

PERSONAL RELATIONS AND APPRECIATION:

The Directors gratefully acknowledge all stakeholders of the Company viz., lessee, members, employees and banks for their support during the year. Your directors hereby place on record their appreciation for the services rendered by the staff of the Company for their hard work, dedication and commitment.

By order of the Board of Directors

Place: Guntur

Date : 23th July, 2015

BOMMIDALA RAMA KRISHNA

Managing Director

DIN: 00105030

Annexure - I Remuneration Policy

1. Preamble

This Remuneration Policy provides the framework for remuneration of members of the Board of Directors, Key Managerial Personnel and other employees of the Company

This Policy is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company. This policy reflects the remuneration philosophy and principles of the company and considers the pay and employment conditions with peers/competitive market to ensure that pay structures are appropriately aligned.

2. Remuneration of Non-Executive Directors

As the company had incurred substantial losses and does not have any operations other than the lease Income, no remuneration or sitting fees is

paid to the Non-Executive Directors ("NEDs").

Once, the company is able to turn around and substantial losses are recovered, the company wants to pay the sitting fee to the NEDs for attending the Board and Committee meetings will be fixed subject to the statutory ceiling and the fee will be reviewed periodically and aligned to comparable best in class companies.

3. Remuneration of Managing Director

The compensation paid to the Managing Director is within the scale approved by the Shareholders. The elements of the total compensation are approved by the N&R Committee within the overall limits specified under the Companies Act, 2013.

The elements of compensation of the Managing Director are described below:

As the company does not have adequacy of profit in any financial year, the remuneration payable to the Managing Director shall be subject to the relevant provisions of the Companies Act, 2013 and the same is paid within the limit specified. Remuneration includes Salary, Perquisites not exceeding the salary amount per annum viz. Medical Expenses, Leave Travel Assistance, Club Fees and Personal Accident Insurance Charges. Further, transport charges, telephone expenses, provident fund, super annuation fund and encashment of leave (if applicable to the company) are provided or reimbursed on actual basis.

4. Remuneration to Key Managerial Personnel/Other Employees

The Company's total compensation for Key Managerial Personnel/other employees consists of fixed compensation as the company incurred substantial losses and only fixed income from the farm lease.

Fixed compensation is determined on the basis of size and scope of the job typically as reflected by the level or grade of the job, trends in the market value of the job and the skills, experience and performance of the employee. Fixed compensation includes Basic Salary, Housing Allowance, Leave Travel Allowance and a cash allowance.

Overall compensation shall be subject to periodic reviews which takes into account factors such as affordability based on the Company's performance and the economic environment.

5. Adoption, Changes and Disclosure of Information

This Remuneration Policy and any changes thereof are approved by the Board of Directors based on the recommendation(s) of the N&R Committee. The policy may be reviewed at such intervals as the Board or the Committee may deem necessary. Such disclosures of this Remuneration Policy as may be required under the Companies Act, 2013 and Listing Agreement.

Annexure – II Criteria for Board Nominations

The Nomination and Remuneration Committee (N & R Committee) of the Board is responsible for identifying persons for initial nomination as directors and evaluating incumbent directors for their continued service. The following are the qualifications, positive attributes and independence criteria laid down by the Committee of BKV Industries Ltd. in terms of section 178(3) of the Companies Act, 2013 to be considered for nominating candidates for Board positions/re-appointment of directors.

QUALIFICATIONS:

Personal Traits

- Highest personal and professional ethics, integrity and values
- Shares the values and beliefs of the Company.
- Inquisitive and objective perspective, practical wisdom and mature judgment
- Demonstrates intelligence, maturity, wisdom and independent judgment
- Self-confidence to contribute to board deliberations has a stature that other board members will respect his or her views.

Experience and Background

- Well accomplished in his / her respective field. Demonstrated success at policy-setting and strategy development levels in a large organization (such as corporation, government, academic institution or profession)
- Leadership role- at the time a potential director's initial candidacy is evaluated must either be current or very fresh and recent, and incumbent directors should continue to demonstrate a sophisticated understanding and current knowledge of business issues
- Absence of adverse events (e.g., bankruptcy affiliations, securities law sanctions, disqualifications under Companies Act 2013 or other applicable laws etc.) that either disqualify or require adverse disclosures

Fit and proper

- With respect to Directors being nominated for Independent position, the candidate should comply with the "Independence qualifications" as defined by applicable laws.
- Willingness to devote sufficient time to carry out the duties and responsibilities effectively, including attendance at meetings.
- Commitment to representing the long-term interests of the shareholders and balancing the interests of stakeholders.
- Adhere to the code of conduct of the Company.
- Absence of unfair obstruction in the functioning of the Board/ Committees.

POSITIVE ATTRIBUTES:

The positive attributes for a director would encompass:

- Ethical Integrity & transparency.
- Has/acquires sufficient knowledge in the Company's business and operations.
- Demonstrate sound judgment gained through experience & expertise in management/ technical/ financial governance or regulatory matters.
- Foresight - ability to see and prepare for future, anticipate needs, opportunities and threats.
- Managerial abilities required to lead and guide the management such as effective communication skills, cultural

sensitivity, flexibility, team player, strategic thinking, and balancing risk with opportunity, ability to juggle several variables and make complicated decisions etc.

INDEPENDENCE STANDARDS:

- A Director is independent if the Board affirmatively determines that he meets the Independence criteria provided under the applicable laws. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relating to a director's independence.
- Two core objectives in selecting board members and continued board service are that the skills, experiences and perspectives of the Board as a whole should be broad and diverse, and the collective talent should blend together to be as effective as possible.

Annexure – III

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015

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

To,
The Members,
M/s. BKV Industries Limited,
Lakshmpuram Main Road,
Guntur- 522007

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. BKV Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 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') viz.:-

- (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, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. (Not applicable to the Company during the Audit Period);
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
- (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, 2009; (Not applicable to the Company during the Audit Period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
- (vi). The Other Laws as specifically applicable to the Company: Not Applicable since the Company has long term lease income of its Farm and did not carry any other business.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during the audit period).
- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges in India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that *The Company has not appointed a Company Secretary as Key Managerial Person (KMP). This is a non-compliance of section 203 of the Companies Act, 2013 and clause 47 (a) of the Listing Agreement.*

We 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 that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

We 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.

We further report that during the audit period, there are no specific events/actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc, referred to above.

For **K. Srinivasa Rao & Co.,**
Company Secretaries,

Place: Guntur
Date: 23rd July, 2015

K. Srinivasa Rao, Partner
FCS. No. 5599/ C. P. No: 5178

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

'ANNEXURE A'

To,
The Members,
M/s. BKV Industries Limited,
Lakshmiipuram Main Road,
Guntur- 522007

Our report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Account of the company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 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.

For **K. Srinivasa Rao & Co.,**
Company Secretaries,

Place: Guntur
Date: 23rd July, 2015

K. Srinivasa Rao, Partner
FCS. No. 5599/ C. P. No: 5178

Annexure – IV**FORM NO. AOC-2 – Related Party Transactions**

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts/arrangements entered into by the Company with the related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no transactions with related parties, which were not arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis:

Remuneration to the Managing Director and Interest Free Unsecured Loans have been extended by the Director to the company are the only related party transactions entered during the year by the company, which are in the ordinary course of business and not material transactions. Details of the same are given in the Note No 30.

Annexure- V

Information to be given under Section 134 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

- i) The steps taken or impact on conservation of energy Not Applicable
 i) The steps taken by the Company for utilizing alternate sources of energy Not Applicable
 iii) The capital investment on energy conservation equipment NIL, Not Applicable

B. TECHNOLOGY ABSORPTION

i	The efforts made towards technology absorption	Not Applicable
ii	The benefits derived like product improvement, cost reduction, product Development or import substitution	Not Applicable
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 (b) The year of import (c) Whether the technology been fully absorbed (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	Not Applicable Not Applicable Not Applicable Not Applicable
iv	The expenditure incurred on Research and Development	NIL, Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The foreign exchange earned in terms of actual in flows during the year and the Foreign exchange outgo during the year in terms of actual outflows.	2014-15 In Rs.	2013-14 In Rs.
Foreign exchange earned	NIL	NIL
Foreign exchange outgo	NIL	NIL

**Annexure – VI
MGT - 9**

EXTRACT OF ANNUAL RETURN for the financial year ended on 31/03/2015 [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management and Administration) Rules, 2014]

I REGISTRATION & OTHER DETAILS:

i	CIN	L05005AP1993PLC015304
ii	Registration Date	25.01.1993
iii	Name of the Company	BKV Industries Limited
iv	Category/Sub-category of the Company	Public Company/ Limited by shares
v	Address of the Registered office & contact details	"Bommidala House", D.No:5-87-15/A, Lakshmpuram Main Road, Guntur -522007, Andhra Pradesh. Phone : 91 863 2355108 Fax :91 863 2358453
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Ltd, Karvy Selenium Tower B Plot No:31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Phone : 91 40 23312454

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Prawn Culture	03211	Only operating lease income - 100%
2	Tobacco Trading	02401	NIL

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
			NIL		

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01-04-2014)				No. of Shares held at the end of the year (as on 31-03-2015)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	10,820,284	-	10,820,284	70.04	10,820,284	-	10,820,284	70.04	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	10,820,284	-	10,820,284	70.04	10,820,284	-	10,820,284	70.04	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter									
(A)= (A)(1)+(A)(2)	10,820,284	-	10,820,284	70.04	10,820,284	-	10,820,284	70.04	-
B. PUBLIC									
SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	41,900	41,900	0.27	-	41,900	41,900	0.27	-
b) Banks/FI	-	5,000	5,000	0.03	-	5,000	5,000	0.03	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	46,900	46,900	0.30	-	46,900	46,900	0.30	-
(2) Non Institutions									
a) Bodies corporates									
i) Indian	164,731	582,200	746,931	4.83	141,802	582,200	724,002	4.69	0.15
ii) Overseas	-	19,400	19,400	0.13	-	19,400	19,400	0.13	-

Contd.. next page

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01-04-2014)				No. of Shares held at the end of the year (as on 31-03-2015)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals							-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	1,611,312	2,044,500	3,655,812	23.66	1,640,786	2,037,000	3,677,786	23.81	(0.14)
ii) Individuals share holders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
i) Non Resident Indians	32,912	126,300	159,212	1.03	33,912	126,300	160,212	1.04	(0.01)
ii) Clearing Members	45	-	45	0.00			-	-	0.00
SUB TOTAL (B)(2):	1,809,000	2,772,400	4,581,400	29.66	1,816,500	2,764,900	4,581,400	29.66	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	1,809,000	2,819,300	4,628,300	29.96	1,816,500	2,811,800	4,628,300	29.96	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	12,629,284	2,819,300	15,448,584	100.00	12,636,784	2,811,800	15,448,584	100.00	0.00

IV (ii) SHARE HOLDING OF PROMOTERS

Sl. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01-04-2014)			Shareholding at the end of the year (As on 31-03-2015)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	BOMMIDALA SAROJA DEVI	113,716	0.74	0.00	113,716	0.74	0.00	0.00
2	BOMMIDALA ANITHA	406,825	2.63	0.00	406,825	2.63	0.00	0.00
3	BOMMIDALA SRINIVAS	236,900	1.53	0.00	236,900	1.53	0.00	0.00
4	BOMMIDALA RAMA KRISHNA	9,866,821	63.87	0.00	9,866,821	63.87	0.00	0.00
5	BOMMIDALA KASIVISWANADHAM	158,822	1.03	0.00	158,822	1.03	0.00	0.00
6	POLISETTY GNANA DEV	14,200	0.09	0.00	14,200	0.09	0.00	0.00
7	PITCHAIAH PULIKONDA	5,000	0.03	0.00	5,000	0.03	0.00	0.00
8	B RAJESWARI	5,000	0.03	0.00	5,000	0.03	0.00	0.00
9	POLISETTY EKANADHA GUPTA	5,000	0.03	0.00	5,000	0.03	0.00	0.00
10	BAYYA SRINIVASA RAO	4,500	0.03	0.00	4,500	0.03	0.00	0.00
11	DEVISETTI RAMA DEVI	3,500	0.02	0.00	3,500	0.02	0.00	0.00
				0.00				
	Total	10,820,284	70.04	0.00	10,820,284	70.04	0.00	0.00

IV (iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Shareholding at the beginning of the year (As on 01-04-2014)		Cumulative Share holding during the year (01-04-2014 to 31-03-2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	10,820,284	70.04	10,820,284	70.04
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	Nil	Nil	Nil	Nil
	At the beginning of the year	10,820,284	70.04	10,820,284	70.04

IV (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Share holding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares at the beginning (01-04-2014 / end of the year 31-03-2015)	% of total shares of the company				No. of shares	% of total shares of the company
1	Eastern Syntex Private Limited	125,100	0.81	01-04-2014	-	Nil		
		125,100	0.81	31-03-2015			125,100	0.81
2	Ravlon Vypaar Private Limited	100,000	0.65	01-04-2014	-	Nil		
		100,000	0.65	31-03-2015			100,000	0.65
3	GMR Investments Private Limited	99,900	0.64	01-04-2014	-	Nil		
		99,900	0.64	31-03-2015			99,900	0.64
4	Laherchand Shamji Lakhsni	66,506	0.43	01-04-2014				
				30-06-2014	205	Transfer	66,711	0.43
				04-07-2014	2,210	Transfer	68,921	0.45
				05-09-2014	599	Transfer	69,520	0.45
				19-09-2014	(1,000)	Transfer	68,520	0.44
				30-09-2014	(4,890)	Transfer	63,630	0.41
				10-10-2014	(293)	Transfer	63,337	0.41
				24-10-2014	(50)	Transfer	63,287	0.41
				16-01-2015	(3,000)	Transfer	60,287	0.39
				23-01-2015	(2,000)	Transfer	58,287	0.38
				30-01-2015	(100)	Transfer	58,187	0.38
				20-02-2015	(1,000)	Transfer	57,187	0.37
		20-03-2015	(2,000)	Transfer	55,187	0.36		
		31-03-2015	(500)	Transfer	54,687	0.35		
		54,687	0.35	31-03-2015			54,687	0.35

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Sl. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Share holding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares at the beginning (01-04-2014 / end of the year 31-03-2015)	% of total shares of the company				No. of shares	% of total shares of the company
5	Ajay Kumar Srivatsa	63,019	0.41	01-04-2014				
				13-06-2014	(5)	Transfer	63,014	0.41
				30-09-2014	(50)	Transfer	62,964	0.41
				19-12-2014	50	Transfer	63,014	0.41
		63,014	0.41	31-03-2015			63,014	0.41
6	Nagaraja Lakshmi M	59,200	0.38	01-04-2014	-	Nil		
		59,200	0.38	31-03-2015			59,200	0.38
7	Jayanti Business Machines Ltd.,	41,700	0.27	01-04-2014	-	Nil		
		41,700	0.27	31-03-2015			41,700	0.27
8	Bommidala Tobacco Exporters (P) Ltd.,	41,700	0.27	01-04-2014	-	Nil		
		41,700	0.27	31-03-2015			41,700	0.27
9	SIDSPL A/C Kothari Pioneer Prima Fund	36,900	0.24	01-04-2014	-	Nil		
		36,900	0.24	31-03-2015			36,900	0.24
10	Nagarjuna Finance Ltd.,	33,400	0.21	01-04-2014	-	Nil		
		33,400	0.21	31-03-2015			33,400	0.21

IV (v) Shareholding of Directors & Key Managerial Person

Sl. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Share holding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares at the beginning (01-04-2014 / end of the year 31-03-2015)	% of total shares of the company				No. of shares	% of total shares of the company
A. Directors :								
1	Bommidala Rama Krishna Managing Director DIN: 00105030	9,866,821	63.87	01-04-2014	-	Nil Movement during the year		
		9,866,821	63.87	31-03-2015			9,866,821	63.87
2	Bommidala Anitha Non- Executive Director DIN:00112766	406,825	2.63	01-04-2014	-	Nil Movement during the year		
		406,825	2.63	31-03-2015			406,825	2.63
3	Nellore Dolendra Prasad Non- Executive / Independent Director DIN: 01816366	-	0.00	01-04-2014	-	Nil Movement during the year		
		-	0.00	31-03-2015			-	-

4	Tunuguntla Rama Krishna Non- Executive / Independent Director DIN:02324865	-	0.00	01-04-2014	-	Nil Movement during the year	-	-
		-	0.00	31-03-2015				
5	Bommidala Kasiviswanadham * Non- Executive Director DIN:00104792	158,822	1.03	01-04-2014	-	Nil Movement during the year	158,822	1.03
		158,822	1.03	31-03-2015				
6	Bommidala Saroja Devi * Non- Executive Director DIN:00105093	113,716	0.74	01-04-2014	-	Nil Movement during the year	113,716	0.74
		113,716	0.74	31-03-2015				
7	Kanteti Sridhar * Non- Executive / Independent Director DIN: 00112799	8,000	0.05	01-04-2014	-	Nil Movement during the year	8,000	0.05
		8,000	0.05	31-03-2015				
8.	Yedlapalli Srinivasa Rao * Non- Executive / Independent Director DIN:02093183	-	0.00	01-04-2014	-	Nil Movement during the year	-	-
		-	0.00	31-03-2015				
	<u>B.Key Managerial Personnel (KMP's)</u>					Nil Movement during the year		
9	Arisetty Sai Prasad Chief Financial Officer	200	0.00	01-04-2014	-			200
		200	0.00	31-03-2015				

*These directors have since resigned on 6th August, 2014 from Board.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				(In Rs.)
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	10,90,000	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	10,90,000	-	-
Change in Indebtedness during the financial year				
Additions	-	7,60,000	-	-
Reduction	-	14,15,000	-	-
Net Change	-	6,55,000	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	4,35,000	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	4,35,000	-	-

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

(Rs. In Lakhs)

Sl.No.	Particulars of Remuneration	Name of the MD/WTD/Manager		Total
		Bommidala Rama Krishna		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	4.20	-	4.20
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify	-	-	-
	Total (A)	4.20	-	4.20
	Ceiling as per the Act			

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors		
1	Independent Directors			
	(a) Fee for attending board committee meetings			
	(b) Commission			
	(c) Others, please specify			
	Total (1)			
2	Other Non Executive Directors			
	(a) Fee for attending board committee meetings			
	(b) Commission			
	(c) Others, please specify.			
	Total (2)			
	Total (B)=(1+2)			
	Total Managerial Remuneration			
	Overall Cieling as per the Act.			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. In lakhs)

Sl.No	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	1.14	1.14
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
				1.14	1.14
Total		-	-	1.14	1.14

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

Annexure - VII

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- A. Information as per Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014:
1. Ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

SI No	Particulars	Median Ratio with that of employees
1	Bommidala Rama Krishna, Managing Director	3.06 : 1
2	Bommidala Anitha, Director	NIL
3	Nellore Dolendra Prasad, Director	NIL
4.	Tunuguntla Ramakrishna, Director	NIL

As there is no Sitting Fees paid to Non-Executive Directors, it has been shown as NIL

1. Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, if any, in the financial year:

SI No	Particulars	% Increase in Remuneration
1	Bommidala Rama Krishna, Managing Director	NIL
2	Bommidala Anitha, Director	NA
3	Nellore Dolendra Prasad, Director	NA
4.	Tunuguntla Ramakrishna, Director	NA
5	Arisetty Sai Prasad, CFO	Appointed during March,2015, hence not applicable

3. Percentage increase/(Decrease) in the median remuneration of employees in the financial year: (-) 18.48%
4. Number of permanent employees on the rolls of company: 3
5. Explanation on the relationship between average increase/(decrease) in remuneration and company performance:
The individual increments are based on individual performance. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.
6. Comparison of remuneration of each Key Managerial Personnel against the performance of the Company.
Company is only earning only Lease Income and no increase in remuneration to the Key Managerial Personnel, hence not comparable with the performance of the company.
7. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Rs. In Lakhs

Particulars	31.03.2014	31.03.2015	% of change
Market Capitalization	224.00	455.73	103..50
Closing Price BSE Ltd	1.45	2.95	103..50
Price Earnings Ratio	145.00	295.00	103..50

8. Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year:
Not comparable as the last public offer was in the year 1994
9. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
The average increase/ (Decrease) in salaries of employees other than managerial personnel is (18.48%). There was no increase in the managerial remuneration during the year.
10. Key parameters for any variable component of remuneration availed by the directors:

The Non-executive Directors are not paid any remuneration, as the company had been incurring losses continuously. e Managing Director's remuneration was fixed at Rs.4.20 lakhs per annum, in view of no profits or profits inadequate, subject to the limits laid down by the Companies Act, 2013 and overall remuneration

- approved by the Shareholders. No variable component is there in the remuneration available by the Managing Director.
11. Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None
12. Affirmation that the remuneration is as per the remuneration policy of the Company:
The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

A. (1) Information as per Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014:

Sl. No	Name of the Employee	Bommidala Rama Krishna	Arisetty Sai Prasad
1	Designation of the employee	Managing Director	Chief Financial Officer
2	Remuneration Received	Rs.4.20 Lakhs	Rs.1.14 Lakhs
3	Nature of Employment	Regular	Regular
4	Qualification & Experience of Employee	M.BA.	Graduate
5	Date of Commencement of employment	10 th March, 14	27 th March, 2015
6	Age of such employee	53 Years	63 Years
7	Last Employment held by such employee before joining the company	N.A	Since inception of the company
8	% of Equity Shares held by the employee in the company within the meaning of clause(iii) of sub-rule(2) above and	63.87%	NA
9	Whether any such employee is a relative of any director or manager of the company and if so name of such director or manager ;	Relative to Smt. Bommidala Anitha, Director	NA
	The employee, if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rs.60 Lakhs ;	NA	NA
	The employee, if employed for a part of the financial year, was in the receipt of remuneration for any part of that year at a rate which in the aggregate for not less than Rs.5.00 lakhs per month;	NA	NA
	The employee, if employed through the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate, which, in the aggregate is in excess of that drawn by the Managing Director or Whole time Director or Manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the company Relative to Smt. Bommidala Anitha, Director	NA	NA

By order of the Board of Directors

Place: Guntur
Date : 23rd July, 2015

BOMMIDALA RAMA KRISHNA
Managing Director
DIN: 00105030

A report on Corporate Governance is enclosed.

ANNEXURE TO THE DIRECTORS' REPORT

COMPLIANCE REPORT ON CORPORATE GOVERNANCE FOR THE YEAR APRIL 1, 2014 TO MARCH 31, 2015

Pursuance to Clause 49 of the Listing Agreement with the Stock Exchanges, your Directors present below a detailed Compliance Report on Corporate Governance:

Company's philosophy on code of Governance

Corporate Governance aims at achieving high level of efficiency, accountability, responsibility and fairness in dealing with all stakeholders. Your company committed to Good Corporate Governance to ensure that all functions of the company are discharged in a professionally sound and competent manner, which leads to increasing employee, customer satisfaction and shareholder value.

Board of Directors**Composition:**

The strength of the Board of Directors as on 31/03/2015 is 4. Board comprises of Executive and Non-Executive Directors. The Non-Executive Directors bring external and wider perspective to the Board's deliberations and decisions. The Board comprises of one Managing Director and 3 Non-Executive directors. The Composition of the Board is in conformity with Clause 49 of the Listing Agreements with the Stock Exchanges. Section 149(3) of the Companies Act, 2013 requires the appointment of a woman director, in compliance with the requirement Smt. Bommidala Anitha, a

woman director had been continued to be in the Board from the inception.

The Board has formulated a policy on Remuneration and the criteria for Board nominations which outline the appointment criteria and qualifications for appointment on the Board and the matters related to remuneration of Directors. The said policy has been published elsewhere in the Annual Report as per Annexure I & II. The independent directors have confirmed that they satisfy the 'criteria of independence' as stipulated in clause 49 of the listing agreement.

No. of Board Meetings held during the year along with the dates of the Meetings:

Board meets generally to take stock of the assets management, to discuss and decide on company / business policy and strategy apart from normal Board business.

During the financial year ended March 31, 2015 Seven Board Meetings were held on 24th May, 2014, 17th July, 2014, 6th August, 2014, 13th August, 2014, 13th November, 2014, 13th February, 2015 and 27th March, 2015.

The following table gives the composition and category of the Directors of the Board, their attendance at the Board Meetings during the year and at the last Annual General Meeting and also the number of Directorships and Committee Memberships/ Chairmanships held by them in other companies.

Name of the Director	Category of Directorship	No. of Board Mtgs. attended	Attendance at last AGM	* No. of Director-ships in other public companies	No. of Member ships/ Chairman ships of committees of other companies.
1	2	3	4	5	6
Sri Bommidala Kasiviswanadham, DIN: 00104792 **	Non Executive Director	3	Yes	None	None
Sri Bommidala Rama Krishna, Managing Director DIN: 00105030	Executive Director	7	Yes	None	None
Smt. Bommidala Saroja Devi DIN: 00105093 **	Non Executive Director	1	Yes	None	None
Smt. Bommidala Anitha DIN: 00112766	Non Executive Director	7	Yes	None	None
Sri Nellore Dolendra Prasad DIN:01816366	Non Executive/Independent Director	5	No	None	None
Sri Kanteti Sridhar: DIN: 00112799 **	Non Executive Independent Director	1	No	None	None
Sri Tunuguntla Rama Krishna DIN:02324865	Non Executive Independent Director	6	Yes	None	None
Sri Yedlapalli Srinivasa Rao DIN: 02093183 **	Non Executive Independent Director	Nil	No	None	None

* Excludes alternate directorships, Directorships in Indian Private Limited companies & Foreign Companies.

**These directors have since resigned on 6th August, 2014 from Board.

Membership on other Boards

Independent Directors are expected not to serve on the Boards of competing Companies. None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five committees across all the companies in which they are Directors. For this purpose, only membership and chairmanship in Audit Committee and Stakeholders Relationship Committee are considered. Every director informs the Company about the Committee positions he/she occupies in other companies and notifies the changes as and when take place.

Code of Conduct

The Company has adopted the code of conduct for all Board members and Senior Management as required under Clause 49 of the Listing Agreement. The Code is posted on the Company's website: www.bkvindustries.com. All Board members and Senior Management personnel have affirmed compliance with the Code on an annual basis and a declaration to this effect signed by Mr. Bommidala Rama Krishna, Managing Director is attached to this Report.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually and the Committees viz., Audit, Nomination & Remuneration, Stakeholders Relationship and Risk Management. A structured questionnaire was prepared after taking into consideration the inputs received from the Directors covering various aspects such as attendance, quality contributions to Board deliberations, providing perspectives and feedback going beyond the information provided by the management, commitment to shareholder and other stakeholders interests etc.

A separate exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interests of the Company and its minority shareholders etc. The performance evaluation of Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors at their meeting held separately.

Board training and Induction

No. of equity shares held by the non-executive directors as on 31.03.2015

Name of the Non Executive Director	No. of Shares held	Percentage
*Sri Bommidala Kasiviswanadham	1,58,822	1.03
*Smt. Bommidala Saroja Devi	1,13,716	0.74
Smt. Bommidala Anitha	4,06,825	2.63

*Since resigned from the Board of Directors of the Company.

Audit Committee

(a) Brief description of terms of reference

The Terms of reference of this committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as Section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. As on March 31, 2015, the Audit Committee of the Board comprises three members viz., Sri Tunuguntla Rama Krishna, Independent Director, Sri Nellore Dolendra Prasad, Independent Director and Smt. Bommidala Anitha. Sri Tunuguntla Rama Krishna, Independent Director is the Chairman of the Audit Committee and was present at Annual General Meeting.

At the time of appointment, the Director is explained in detail the compliances required from him under the Companies Act and Listing Agreement and other relevant regulations and his affirmations taken.

By way of an introduction to the Company, the MD/CFO interacts with the newly appointed Director and explains the functioning of various divisions/ departments, the Company's market share, governance and internal control processes and other relevant information pertaining to the Company's business. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfill his role as a Director of the Company.

Board Committees

The Board has constituted Committees consisting of Executive and Non-Executive Directors to ensure focused attention on various facets of business and for better accountability. Pursuant to the Companies Act, 2013, as on March 31, 2015 the Company has the following Committees:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders Relationship Committee
4. Risk Management Committee
5. Share Transfer Committee

Each of the above Committees has been mandated to operate within a given framework. The Minutes of the proceedings of the Committee Meetings are circulated to the Directors and noted at the Board Meeting.

Directors retiring by rotation

The information is provided in the Notes appended to the Explanatory Statement of the Notice under the heading "Information under clause 49 of the Listing Agreement regarding reappointment of Directors".

Disclosure of transactions where Non-Executive Directors have pecuniary interest

None of the Non-Executive Directors has any pecuniary relationship or transactions vis-a-vis the Company. The directors periodically disclose their interest in different companies and transactions/contracts of the Company with such companies are taken on record in the Board Meetings.

(b) Composition, Meetings and Attendance during the year

The Audit Committee comprises of three non-executive directors. During the financial year ended 31st March, 2015 the committee met 4 times i.e. on 24th May, 2015, 13th August, 2014, 13th November, 2014 and 13th February, 2015.

The attendance of the each member of the committee is given below:

Directors	Chairman/ Member	Category	No. of meetings Attended
Sri Tunuguntla Rama Krishna	Chairman	Non Executive & Independent	4
Sri Nellore Dolendra Prasad	Member	Non Executive & Independent	3
Smt. Bommidala Anitha	Member	Non Executive	3

Terms of reference of Audit Committee:

The Committee adopted a revised terms of reference on 24th May, 2014 in accordance with the Companies Act, 2013 and the Listing Agreement. The Terms of reference of the Committee are given below:

Terms of Reference

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - b) Changes, if any, in accounting policies and practices and reasons for the same
 - c) Major accounting entries involving estimates based on the exercise of judgment by management
 - d) Significant adjustments made in the financial statements arising out of audit findings
 - e) Compliance with listing and other legal requirements relating to financial statements
 - f) Disclosure of any related party transactions
 - g) Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document /prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary and appointment of valuers;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Discussion with internal auditors of any significant findings and follow up there on;
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
17. To recommend to the Board, appointment of Cost Auditors, if required and review of the reports thereon;
18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing experience and background, etc. of the candidate;
19. Oversee the vigil mechanism established for directors and employees – [Section 177(10) read with rule 7(2) Companies (Meetings of Board and its Powers) Rules, 2014.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The scope of the Audit Committee also includes matters which are set out in Clause 49 of the Listing Agreement with Stock Exchanges read with Section 177 of the Companies Act, 2013 and the rules made thereunder, as amended from time to time.

Nomination and Remuneration Committee

Pursuant to Section 178 (1) of the Companies Act, 2013 the Remuneration Committee of the Company was renamed as "Nomination & Remuneration Committee" on 24th May, 2014.

The composition of the Nomination and Remuneration Committee and particulars of meetings held and attended by the members of the Committee are given below:

Sl. No.	Name of the Member	Category	No. of Committee Meetings held	
			Held	Attended
1	Sri Nellore Dolendra Prasad	Independent, Non-Executive Director	2	2
2	Smt. Bommidala Anitha	Non Executive Director	2	1
3	Sri Tunuguntla Rama Krishna	Independent, Non-Executive Director	2	2

Terms of reference:

The Committee adopted revised terms of reference on 24th May, 2014 in accordance with the Companies Act, 2013 and the Listing Agreement. The Terms of reference of the Committee are given below:

The role of the Nomination and Remuneration Committee shall, inter-alia, include the following:

1. 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 other employees;
 2. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board their appointment, removal and shall carry out evaluation of every director's performance.
 3. Formulation of criteria for evaluation of Independent Directors and the Board;
 4. Devising a policy on Board diversity;
 5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
 6. Determine and recommend to the Board, the remuneration payable including any revision in remuneration payable to Managing Director/ Executive Directors/ Non-Executive Directors.
 7. Take into consideration and ensure compliance of the provisions under Schedule V of the Companies Act, 2013 and the rules made thereunder while determining the remuneration.
 8. Consider such other matters as the Board may advise the Committee.
- The company has appointed a Nomination and Remuneration Committee comprising of three non-executive Directors namely Sri Nellore Dolendra Prasad (Chairman), Smt. Bommidala Anitha and Sri Tunuguntla Rama Krishna as members.

Remuneration to Executive Directors

The details of the remuneration paid to Managing Director for the financial year 2014-2015 are given below:

Name of the Director	Sri Bommidala Rama Krishna, Managing Director
Salary	Rs.4,20,000
Benefits	-
Provident Fund	-
Total	Rs.4,20,000

Non-Executive Directors

During the year the company has not paid any sitting fees for attending the Board Meetings and Committee Meetings in view of considerable losses incurred by the company.

Key Managerial Personnel:**Chief Financial Officer**

During the year 2014, due to the sudden demise of the earlier CFO, the company had to appoint a new CFO to the company. In order to reduce the losses, the company had given the farm at Iskapally for a long term lease and during the year, the company didn't carry out any other operations other than the leasing operations. The company had since appointed on 27-3-2015. it's senior most executive Mr. A S Prasad, who is a graduate as Chief Financial officer of the company. During the year, he had been paid a remuneration of Rs.1.14 Lakhs, excluding reimbursement of telephone and transport charges.

The detailed Remuneration Policy formulated by the Committee for members of the Board, Key Managerial Personnel and other employees of the Company are is annexed to the Directors Report.

The Company does not have any Employees Stock Option Scheme.

Stakeholders Relationship Committee

Pursuant to Section 178 (1) of the Companies Act, 2013 the Shareholders/ Investors Grievance Committee of the Company were reconstituted as "Stakeholders Relationship Committee" on 24th May, 2014

The composition of the Stakeholders Relationship Committee and particulars of meetings held and attended by the members of the Committee are given below:

Sl. No.	Name of the Member	Category	No. of Committee Meetings held	
			Held	Attended
1	Smt. Bommidala Anitha	Non-Executive Director	4	2
2	Sri Tunuguntla Rama Krishna	Independent, Non-Executive Director	4	4
3	Sri Bommidala Rama Krishna	Executive Director	4	3

Functions of the Committee

The Committee adopted revised terms of reference on 24th May, 2014 in accordance with the Companies Act, 2013 and the Listing Agreement. The Terms of reference of the Committee are given below:

The role of the Stakeholders Relationship committee shall, inter-alia, include the following:

1. Dealing with the investors complaints like delay in transfers of shares, non-receipt of balance sheet, non-receipt of declared dividends/share certificates, dematerialization of shares, replacement of lost/stolen/ mutilated share certificates, etc,
2. Investigate into investors complaints and take necessary steps for redressal there of
3. To perform all functions relating to the interest of the stakeholders of the Company as may be required by the provisions of the Companies Act, 2013 and the rules made thereunder, Listing Agreements and the guidelines issued by SEBI or any other regulatory authority.

The company has a Stakeholders Relationship Committee comprises of three

directors namely Smt. Bommidala Anitha (Chairperson) Non- executive Director, Sri Bommidala Rama Krishna, Executive Director and Sri Tunuguntla Rama Krishna, Non-executive Independent Director as members.

The Stakeholders Relationship Committee met four times i.e. on 24th May, 2014, 13th August, 2014, 13th November, 2014 and 13th February, 2015 and reviewed shareholders complaints position and expressed satisfaction over the compliance of the investors grievances. All complaints received from the shareholders by the company are forwarded to Registrars and Share Transfer Agents "M/s. Karvy Computershare Pvt. Ltd" for furnishing replies to the shareholders explaining the position of the complaints. The Registrars and Share Transfer Agents " M/s. Karvy Computershare Pvt. Ltd" submits "Investor Grievance Report" every quarter which will be reviewed by the Stakeholders Relationship Committee.

The Company received a total of 23 complaints from 01.04.2014 to 31.03.2015 from its shareholders, all of which were resolved within 30 days to the satisfaction of the shareholders.

In terms of Clause 47(f) of the Listing Agreement, the designated e-mail address for investor's complaints is contact.bkvind@bommidala.co.in

Name, designation and address of Compliance Officer:

Mr. Bhanu Kumar Kota,

BKV Industries Limited,

Bommidala House, 5-87-15/A, Lakshmi puram, Main Road, Guntur -522007

Share Transfer Committee

The Company has constituted Share Transfer Committee comprising of Smt. Bommidala Anitha (Chair person) Non- executive Director and Sri Bommidala Rama Krishna, Executive Director and Sri Tunuguntla Rama Krishna, Non-executive Independent Director as members. The Committee met 3 times during the year to approve the Memorandum of Share Transfers, sub-division / consolidation of share certificates, transmission of shares and issue of duplicate share certificates, which are submitted by the Share Transfer Agents after completing their formalities. Share Transfers approved by the Committee are placed at the Board Meeting from time to time. During the period under review 500 Equity shares were transferred including 100 shares of name deletions. No share transfers arising out of the financial year in question are pending beyond the normal service time of two weeks from the date of receipt of complete documentation required to effect the transfer. There are no pending share transfers as on the date of this Report.

The composition of the Share Transfer Committee and particulars of meetings held and attended by the members of the Committee are given below:

Sl. No.	Name of the Member	Category	No. of Committee Meetings held	
			Held	Attended
1	Smt. Bommidala Anitha	Non-Executive Director	3	1
2	Sri Tunuguntla Rama Krishna	Independent, Non-Executive Director	3	3
3	Sri Bommidala Rama Krishna	Executive Director	3	2

The role of the Share Transfer Committee shall, inter-alia, include the approval of share transfers and/or delegations thereof.

Risk Management Committee

Business risk evaluation and management are an ongoing process within the organization. The Company has a reliable risk management framework to identify, monitor and minimize risks.

Broadly, the scope of the Risk Management Committee comprises of (i) Reviewing the risks and evaluates treatment including initiating the mitigation actions and ownership and (ii) Defining framework for identification, assessment, monitoring, mitigation and reporting of risks. Within its overall scope, the Committee reviews risk trends, exposure and potential impact analysis and mitigation plan.

The company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The company has introduced several improvements to risk management, internal controls and internal audit management and assurance frame work and process to drive a common view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities.

During the financial year 2014-15, the Committee met on March 27, 2015.

The Composition of the Risk Management Committee as at March 31, 2015 and particulars of meetings held and attended by the members of the Committee are given below:

Sl. No.	Name of the Member	Category	No. of Committee Meetings held	
			Held	Attended
1	Smt. Bommidala Anitha Chairperson	Non-Executive Director	1	1
2	Sri Tunuguntla Rama Krishna	Independent, Non-Executive Director	1	1

General Body Meetings

Annual General Meetings:

Details of location of the last three Annual General Meetings of the Company are given below:

Date of AGM	Time	Place	Details of Special Resolutions Passed
17 th September, 2012	3.00 P.M	Bommidala Cold Complex, Lalpuram, Guntur	No Special Resolutions Passed
14 th September, 2013	3.00 P.M	Bommidala Cold Complex, Lalpuram, Guntur	No Special Resolutions Passed
13 th September, 2014	3.30 P.M	Bommidala Cold Complex, Lalpuram, Guntur	Special Resolutions passed through e-voting details given below

There has been no ordinary or special resolution passed by the company's shareholders through Postal Ballot during the year.

Extra-Ordinary General Meetings:

No Extra Ordinary General Meetings had been conducted by the company during the last three years.

Details of E-voting:

In the year 2013-14 seeking Members' approval for approving the business mentioned below conducted for matters mentioned below pursuant to Clause

35B of the Listing Agreement, the Company had offered e-voting facility through Karvy Computershare Pvt. Ltd., to the shareholders to cast their votes electronically instead of dispatching the e-voting Form. Mr. K Srinivasa Rao, Practicing Company Secretary was appointed as the Scrutiniser to conduct the e-Voting.

The details of voting pattern in e-voting are given below:

Particulars/ Promoter & Public	No of votes polled	No of Votes in favour	No of votes against	% of Votes in favour on votes polled	% of Votes against on votes polled
Adopting of new Memorandum of Association of the Company.	10,833,184	10,833,184	Nil	100%	Nil
Adopting of new Articles of Association of the Company.	10,833,184	10,833,184	Nil	100%	Nil
Voluntary delisting of the Company's Equity Shares from Stock Exchanges.	10,833,184	10,833,184	Nil	100%	Nil

Disclosures

- (i) During the year, there were no material related party transactions that may have potential conflicts with the interests of the Company at large. Transactions with related parties are disclosed in Notes to Accounts. Disclosures from Senior Management that there had been no material financial and commercial transactions that had a potential conflict with the interest of the Company at large, were placed before the Board.
- (ii) There was no non-compliance by the Company and no penalties or strictures were imposed on the Company by Stock Exchanges or Securities Exchange Board of India or any statutory authority on any matter related to the capital markets during the last three years.
- (iii) Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has a Whistle-Blower Policy and Vigil Mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism also provides for adequate safeguards against victimization of the persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No employee of the Company was denied access to the Audit Committee. The said Vigil Blower Policy & Vigil mechanism has been posted at company's website: www.bkvindustries.com.
- (iv) The Company has complied with all the mandatory requirements on Corporate Governance as specified in Clause 49 of the Listing Agreement with the Stock Exchanges. Compliance reports in the prescribed format have been submitted to the Stock Exchanges for all the quarters.
- (v) The Company has also complied with the following non-mandatory requirements:

Shareholder Rights

The quarterly financial results are published in leading financial newspapers and uploaded on the Company's websites besides being sent to the Stock Exchanges. The Company has therefore not been sending the quarterly financial results to the shareholders.

Audit qualifications

Company's financial statements are unqualified.

Reporting of Internal Auditor

The Internal Auditors of the Company directly report to the Audit Committee

Compliance certificate

Certificate from a Practicing Company Secretary, M/s K Srinivasarao & Co., confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to this Report.

(vi) Share Capital Audit

A qualified practicing Company Secretary carried out the audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Share Capital audit report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL. The audit is carried out every quarter and report thereon is submitted to the Stock Exchanges and is placed before the Board of Directors.

(vii) Compliance

The Board reviews periodically compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances, if any.

(viii) Compliance of Clause 5A of the Listing Agreement

The disclosure as required under Clause 5A of the Listing Agreement is given below:

Particulars of shareholders No. of Equity Shares

Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	NIL
Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year	NIL
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	NIL
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year	NIL

(ix) Transfer of Unpaid/Unclaimed amounts to Investor Education and Protection Fund

The Company did not declare any dividends from the inception, hence the question of transfer and payment in respect of such claims do not arise.

(x) Prevention of Insider Trading

The Securities and Exchange Board of India vide its Notification dated January 15, 2015 has notified The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (New Regulations). The New Regulations will come into effect from May 15, 2015 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 shall stand repealed from that date. Under the New Regulations, the requirements of initial disclosures are applicable to promoter, key managerial personnel and director of a company and requirements of continual disclosures are applicable to promoter, employee and director of a company. As required under the New Regulations, the Company has formulated a Code of practices and procedures for fair disclosures of unpublished price sensitive information and a Code of Conduct to regulate, monitor and report trading by insiders in securities of the Company.

(xi) The Management Discussion and Analysis forms part of the Annual Report**Means of Communication**

The quarterly audited / un-audited financial results of the Company are published in The New Indian Express (National newspaper) and Andhra Prabha (vernacular newspaper). The financial results, shareholding pattern and other updates on the working of the Company have been posted on the Company's website: www.bkvindustries.com. Besides the above, the Company also submits, inter-alia, to the Stock Exchanges, the full version of the Annual Report; quarterly report on corporate governance; quarterly/yearly financial results; quarterly shareholding pattern; quarterly secretarial audit report; details of appointment/resignation of Directors and such other reports as may be specified. In terms of clause 52 of the Listing Agreement with the Stock Exchanges, the Company also submits the statements, information and reports at <http://listing.bseindia.com> specified by BSE. Under the SEBI Complaints Redress System (SCORES), the investor complaints are processed in a centralized web based complaints redress systems wherein the concerned Companies can upload Action Taken Reports (ATRs) for the complaints and the investors can view the action taken on their complaints and its current status online.

The Company has also designated the email id: contact.bkvind@bommidala.co.in exclusively for investor servicing.

General Shareholder Information

Annual General Meeting : 14th September 2015 at 03.30 P.M at Bommidala Cold Complex, Lalpuram, Bypass Road, Guntur.

Financial Calendar : a. Financial year April to March
b. First Quarter Results
In the Second week of August
c. Half yearly Results -
In the Second week of November
d. Third Quarter Results
In the Second week of February
e. Fourth Quarter Results
In the Second week of May

Dates of Book Closure : 7th September 2015 to 14th September 2015 (both days inclusive)

Listing on Stock Exchanges: The Company's shares are presently listed on the following stock Exchanges, as the other Hyderabad, Chennai and New Delhi Stock Exchanges we were informed that they have been de-recognized by SEBI, hence, the annual listing fees was also not demanded by the above Stock Exchanges:

i. Bombay Stock Exchange Ltd. ii. The Calcutta Stock Exchange Ltd

ISIN Number for NSDL & CDSL: INE 356 C 01022

Registrars & Share Transfer Agents: M/s. Karvy Computershare Private Limited
Karvy Selenium Tower B,
Plot No.31 & 32, Gachibowli,
Financial District
Nanakramguda, Serilingampally,
HYDERABAD – 500 008.

E-mail ID of the Grievance Redressal Division:

As required by the amendment to the Listing Agreement (Insertion of Clause 47(f)), the company has opened separate e-mail ID of the Grievance Redressal Division viz. "contact.bkvind@bommidala.co.in" and the investors can

now directly address their grievances to this e-mail ID for quick attention of the company.

Share Transfer System:

SEBI has notified the compulsory trading of equity shares of the Company in dematerialization form. However, the equity shares of the Company are traded in demat as well as in non-demat form. The Company appointed M/s. Karvy Computershare (P) Limited as Registrars & Share Transfer Agents for both electronic and physical transfers.

For demat shares, the Company is registered with NSDL and CDSL. The ISIN allotted to Equity Shares is INE 356 C 01022.

Annual Custody/Issuer fee for the year 2015-16, will be paid by the company to the NSDL and CDSL, as and when the invoice is received.

For non-demat shares, the transfers are processed and registered at M/s. Karvy Computershare (P) Limited. Shares lodged for transfer are normally processed within 15 days from the date of lodgment, if the documents are clear in all respects.

Distribution of Shareholding as on 31st March, 2015.

Category (Amount)	No. of Shareholders	Amount Rs.	% to Total
1 - 5000	13,093	31,77,467	20.57
.5001 - 10000	48	3,33,550	2.16
10001 - 20000	28	3,81,193	2.47
20001 - 30000	7	1,69,950	1.10
30001 - 40000	4	1,35,740	0.88
40001 - 50000	2	83,400	0.53
50001 - 100000	3	2,59,100	1.68
100000 and above	6	1,09,08,184	70.61
Total	13,191	1,54,48,584	100.00

Categories of Shareholding as on 31st March, 2015

Category	No. of Shares	% to Total
Promoters & Associates	1,08,20,284	70.04
Foreign Institutional Investors	—	-
Public Financial Institutions & Banks	5,000	0.03
Mutual Funds & UTI	41,900	0.27
Private Corporate Bodies	7,24,002	4.67
NRI's and OCB's	1,79,612	1.16
Indian Public	36,77,786	23.83
	1,54,48,584	100.00

Market Price: High / Low during each month in Financial year 2014- 15 in BSE and performance.

Month	BKV Industries Ltd. Stock Performance	
	High (Rs.)	Low (Rs.)
April, 2014	1.40	1.05
May, 2014	1.22	0.91
June, 2014	1.87	0.92
July, 2014	2.46	1.90
Aug., 2014	3.42	2.45
Sep., 2014	6.63	3.48
Oct., 2014	7.49	5.71
Nov., 2014	5.60	2.86
Dec., 2014	2.82	2.50
Jan., 2015	2.80	2.37
Feb., 2015	3.00	2.48
Mar., 2015	3.02	2.25

Dematerialization of Shares 81.80 % Equity shares of the company have been dematerialized as on 31st March, 2015.

Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form. Through Karvy Computershare Pvt. Ltd., the Company's Registrars & Share Transfer Agents, connectivity has been established with both the Depositories in India viz., National Securities Depository Ltd. and Central Depository Services (India) Limited (CDSL). The Company's shares are traded on the Bombay Stock Exchange Ltd. in electronic form. The International Securities Identification Number (ISIN) allotted to the Company's shares under the Depository system is: INE356C01022.

The modes of holding of the Company's equity shares as on March 31, 2015 is as under:

Category	No. of Holders	Total Shares	% To Equity
PHYSICAL	10,769	28,11,800	18.20
N S D L	1,806	1,21,46,681	78.63
C D S L	617	4,90,103	3.17
Total	13,192	1,54,48,584	100.00

Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding GDRs/ ADRs/ Warrants or any Convertible instruments.

Plant Location

Shrimp Farm – Given on Long Term Lease	Isakapalli, Allur (Mandal), Nellore (Dt)
No. of Employees as on 31/03/2014	03
Address for Correspondence	
Company	Registrars & Share Transfer Agents:
B K V Industries Limited "and reduced", "Bommidala House", D.No:5-87-15/A,Lakshimpuram Main Road,Guntur – 522 007.	M/s. Karvy Computershare Private Ltd., "Karvy Selenium", Tower B, Plot No.31 & 32, Gachibowli, Financial D, Nanakramguda, Serilingampally, HYDERABAD – 500 008.

Declaration regarding compliance by Board Members and Senior Management with the Company's Code of Conduct

This is to confirm that the Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has also been posted on the website of the Company.

It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2015 as envisaged in Clause 49 of the Listing Agreement with the Stock Exchanges.

For BKV Industries Limited

BOMMIDALA RAMA KRISHNA

Place: Guntur

Date: 23rd July, 2015

Managing Director

DIN: 00105030

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

To the best of our knowledge and belief:

- We have reviewed the Balance Sheet and Profit and Loss and all its Notes on financial statements as well as the Cash Flow Statements and the Director's Report for the year ended 31st March, 2015;
- These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;
- These statements together present a true and fair view of the company, and are in compliance with the existing Accounting Standards and / or applicable Laws and Regulations;
- There are, 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 Companies Code of Conduct.
- We accept the responsibility 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 and we have disclosed to the auditors and the audit committee, the deficiencies in the design or operation of such internal controls, if any of which we are aware, the steps we have taken to take to rectify these deficiencies.
- We have also disclosed to the auditors as well as Audit Committee, that to the best of our knowledge that there are no:
 - a. Significant changes in the internal control over financial reporting during the year;
 - b. Significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we have become aware and the involvement there in, if any of the management or an employee having significant role in the company's internal control system over financial reporting during the year;

By the order Border of the Board of Directors

BOMMIDALA RAMA KRISHNA

Managing Director

DIN: 00105030

A.S. PRASAD

Chief Financial Officer

Place : Guntur

Date: 23rd July, 2015

CERTIFICATE

To
The Members of
BKV Industries Ltd, "and reduced"

We have examined the compliance of conditions of Corporate Governance by BKV Industries Ltd, "and reduced" for the year ended on 31st March, 2015 as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges in India.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2015, no investor grievances are pending against the company for a period exceeding one month as per the records maintained by the company and presented to the Shareholders/Investor Grievance Committee of the company.

We further state that such compliance 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.

For Garlapati & Co,
Chartered Accountants
Firm Regn. No. 000892S

Place: Guntur.
Date : 23rd July, 2015

G. Satyanarayana
Partner
M.NO: 022101

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF****BKV INDUSTRIES LIMITED "and reduced"****Report on the Standalone Financial Statements**

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in

accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

- 3 a) Note 36 to the financial statements which, describes the uncertainty related to the outcome of the lawsuit filed relating to the Non-Agricultural Tax appeal by the Government/farms.
- b) Note 32 in the financial statements which indicates that the Company has accumulated losses and its net worth has been substantially eroded, the Company has incurred a net loss during the current year and a marginal profit due to exceptional items in the previous year(s) and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions indicate the existence of

a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, as the Company has got consistent operating lease income the accounts have been drawn up on going concern basis.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The going concern matter described in sub-paragraph (b) under the Emphasis of Matters paragraph above, in our opinion, may have an effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Garlapati & Co.
Chartered Accountants
Firm Regn. No. 000892S

Place: Guntur.
Date: 29th May, 2015

G. Satyanarayana
Partner, M.No: 022101

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of BKV Industries Limited, ('the Company') for the year Ended on 31st March, 2015. We report that:

- 1) In respect of Fixed Assets
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) We have been informed that all the fixed assets have been physically verified by the management during the year and to the best of our knowledge no serious discrepancies have been noticed on such verification.
- 2) The company has given its farm on long term lease and carrying on no other operations hence, no inventory is maintained by the company, hence the question of physical verification of inventory in the reasonable intervals does not arise and hence the clause is not applicable.
- 3) The company has not granted any loans to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013. Accordingly sub-clauses (a) and (b) of this order are not applicable.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to the purchases of inventory, fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weakness in internal control system.
- 5) According to the information and explanations given to us the company has not accepted any fixed deposits from the public within the meaning of section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Further, no Order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal. Hence, the provisions of this are not applicable.
- 6) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7) a) According to the information and explanations given to us, in our opinion, the company is regular in depositing undisputed statutory dues Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it. According to information and explanations given to us and the opinion sought by the management, the Provident Fund and ESI are not applicable to this company. According to the information and

explanations given to us, no undisputed amounts payable in respect of Income-tax, Sales Tax, Wealth Tax, Service Tax, P.F and ESI, Customs Duty, Excise Duty, and Cess were in arrears, as at 31st March, 2015 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no dues of Sales Tax, Income-Tax, Customs Duty, Wealth Tax, Excise, Service Tax Duty which have not been deposited on account of dispute and in the case of levy of Non-Agricultural Lands Assessment under Andhra Pradesh Non-Agricultural Land Assessment Act, the matter is pending before courts and an amount of Rs. 59.07 lakhs is shown under contingent liability.

c) The amounts due to Investor Education & Protection Fund for a period exceeding six months as at 31st March, 2015 does not arise as the company has not declared dividends to the shareholders since its inception. Hence, this sub-clause is not applicable.

- 8) The Company has accumulated losses to the extent of Rs. 342.75 lakhs and the Company reported a cash profit of Rs. 0.69 lakhs during the financial year 2014-15 and made a cash profit of Rs. 1.76 lakhs during the financial year 2013-14.
- 9) The company has no loans from banks or financial institutions nor issued debentures during the year, hence in our opinion and according to the information and explanations given to us, this clause is not applicable to the company.

- 10) In our opinion and according to the explanations given to us, the company has not given any guarantees for loans taken by others from bank and financial institutions. Hence, this clause is not applicable to the company.
- 11) In our opinion and according to information and explanations given to us, the company has not raised any term loans during the year. Hence, this clause is not applicable to the company.
- 12) Based on the audit procedures performed for the purposes of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For Garlapati & Co,
Chartered Accountants
Firm Regn. No. 000892S

Place: Guntur.
Date : 29th May, 2015

G. Satyanarayana
Partner
M.No:022101

BALANCE SHEET AS AT 31st MARCH, 2015

(In Rupees)

Particulars	Note		As at 31-03-2015		As at 31-03-2014
EQUITY & LIABILITIES					
Shareholders' Funds					
Share capital	1	15,448,584		15,448,584	
Reserves & Surplus	2	(13,094,037)	2,354,547	(13,037,080)	2,411,504
Non-Current Liabilities					
Other Long Term Liabilities	3	276,931		-	
Long Term Provisions	4	727,645	1,004,576	599,739	599,739
Current Liabilities					
Short Term Borrowings	5	435,000		1,090,000	
Trade Payables	6	131,038		477,600	
Other Current Liabilities	7	675,000	1,302,176	675,000	2,370,506
Short Term Provisions	8	61,138		127,906	
TOTAL			4,661,299		5,381,749
ASSETS					
Non-Current Assets:					
Fixed Assets :					
Tangible Assets	9	3,651,517		3,769,520	
Non-Current Investments	10	3,000		3,000	
Other Non-Current Assets	11	241,970	3,896,487	241,970	4,014,490
Current Assets					
Trade Receivables	12	-		276,973	
Cash & Cash equivalents	13	49,726		292,392	
Short - Term Loans & Advances	14	285,000		367,415	
Other Current Assets	15	430,086	764,812	430,479	1,367,259
Total			4,661,299		5,381,749

Significant Accounting Policies and Notes to the Financial Statements are an integral part of this Balance Sheet.

As per our attached report of even date

for and on behalf of the Board

for **GARLAPATI & CO.,**
Firm Regn. No. 000892S
Chartered Accountants

BOMMIDALA RAMA KRISHNA
Managing Director, DIN : 00105030

BOMMIDALA ANITHA
Director, DIN : 00112766

GARLAPATI SATYANARAYANA
Partner (M.No. 022101)

A.S. PRASAD
Chief Financial Officer

Place : Guntur

Date: 29th May, 2015.

Statement of Profit and Loss for the Year ended 31st March, 2015

(in Rupees)

Paticulars	Note	For the year ended 31-03-2015	For the year ended 31-03-2014
INCOME			
Revenue from operations	16	2,700,000	3,729,060
Other Income	17	13,010	-
Total revenue		2,713,010	3,729,060
EXPENSES :			
Cost of material consumed	18	-	353,977
Changes in Inventories of finished goods, work in progress and stock in trade	19	-	838,954
Employee benefits expenses	20	893,138	1,387,502
Depreciation and amortization expenses	21	115,358	272,155
Other expenses	22	1,741,297	1,449,863
Total expenses		2,749,793	4,302,451
Profit / (Loss) before exceptional and extraordinary items and tax		(36,783)	(573,391)
Exceptional items	23	(9,730)	594,118
Profit & (Loss) before extraordinary items & Tax		(46,513)	20,727
Extraordinary items		-	116,400
Profit / (Loss) before Tax		(46,513)	(95,673)
Tax expenses		-	-
Profit/ (Loss) for the year		(46,513)	(95,673)
Earnings per Equity Share of face value of Rs.1/- Basic & Diluted		(0.01)	(0.01)
(Refer note No 29 to the financial statements)			

Significant Accounting Policies and notes to the financial statements are an integral part of this statement of Profit and Loss.

As per our attached report of even date

for and on behalf of the Board

for **GARLAPATI & CO.,**
Firm Regn. No. 000892S
Chartered Accountants

BOMMIDALA RAMA KRISHNA
Managing Director, DIN : 00105030

BOMMIDALA ANITHA
Director, DIN : 00112766

GARLAPATI SATYANARAYANA
Partner (M.No. 022101)

A.S. PRASAD
Chief Financial Officer

Place : Guntur

Date: 29th May, 2015.

CASH FLOW STATEMENT FOR THE YEAR ENDED

	<u>31-03-2015</u> Rs.	<u>31-03-2014</u> Rs.
A. Cash Flow from Operating Activities:		
Net(Loss) /Profit before Tax & Extra- Ordinary items	(36,783)	35,367
<u>Adjustments for:</u>		
Depreciation	115,358	272,155
Profit on sale of assets	-	(498,392)
Inventory written off		18,801
Gratuity Provision / Payments	61,138	(257,740)
Prior Year Income Tax	(9,730)	(14,640)
Earlier years Farm tax paid (Net)	-	(101,760)
Scheme expenses w/off	-	219,980
Operating Profit before working capital	<u>129,983</u>	<u>(326,229)</u>
<u>Changes in working Capital</u>		
Dec / (Inc) in Trade Receivable	276,973	169,060
Dec / (Inc) in Inventories	-	857,756
Dec / (Inc) in Short Term Loans & Advances	82,415	(288,191)
Dec / (Inc) in other Current assets	393	(427,479)
Dec / (Inc) in other Non-Current assets	-	309,688
(Dec) / inc in Long Term Provisions	127,906	(374,645)
(Dec) / inc in Long Term Liabilities	276,931	-
(Dec) / inc in Trade Payables	(346,562)	583,965
(Dec) / inc in Other Current Liabilities	<u>(127908)</u>	<u>(663,094)</u>
Cash Flow from operating activities	<u>420,131</u>	<u>(159,169)</u>
B. Cash Flow from Investing Activities		
Sale of Assets	-	516,175
Purchase of assets	<u>(7,797)</u>	<u>(158,669)</u>
Cash recd from Investing activities	<u>(7,797)</u>	<u>357,506</u>
C. Cash Flow from Financial Activities		
(Dec)/ inc in short Term Borrowing	<u>(655,000)</u>	<u>(55,000)</u>
Cash Flow from Financial activities.	<u>(655,000)</u>	<u>(55,000)</u>
Net inc / (Dec) in cash and cash equivalents (A+B+C)	<u>(242,666)</u>	<u>143,337</u>
Cash & cash equivalents as at 01/04/2014	<u>292,392</u>	<u>149,055</u>
Cash & cash equivalents as at 31/03/2015	<u>49,726</u>	<u>292,392</u>

for **GARLAPATI & CO.,**
Firm Regn. No. 000892S
Chartered Accountants

BOMMIDALA RAMA KRISHNA
Managing Director,
DIN : 00105030

BOMMIDALA ANITHA
Director, DIN : 00112766

GARLAPATI SATYANARAYANA
Partner (M.No. 022101)

A.S. PRASAD
Chief Financial Officer

Place : Guntur

Date: 29th May, 2015.

A. SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

1. Basis of preparation of Financial Statements:

The Financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (India GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

2. Use of Estimates:

The preparation of financial statements require the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year.

1. Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2. Fixed Assets, Depreciation and amortization:

Tangible Fixed Assets (other than those which have been revalued) are carried at cost less accumulated depreciation / amortization and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

- Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value
- Depreciation on tangible fixed assets has been provided on the Written Down Value as per the useful life prescribed in Schedule II to the Companies Act, 2013.
- Intangible assets are amortized over their estimated useful life on straight line method as follows:

Software – over the license period

5 Investments:

Investments are classified as Current and Long Term Investments.

Long Term Investments are stated at cost less provision if any for diminution, which is other than temporary in nature. Current Investments are valued at lower of cost and net realizable value.

6. Valuation of Inventory:

The Valuation of inventory is made on the following basis.

- Raw material : At Cost on Weighted Average Basis or Net Realisable Value whichever is less.
- Stores and Spares : At Cost on Weighted Average Basis or Net Realisable Value whichever is less.
- Finished Goods : At Cost or Net Realisable Value whichever is less.
- Work-in-progress : Valued at cost or Net Realisable Value whichever is less.

Cost includes material cost and appropriate share of production overheads and duties where ever applicable.

7. Foreign Currency Transactions:

Foreign Currency Transactions are accounted for at the rate prevailing on the date of transaction. Monetary items denominated in foreign currencies are restated at year end rate. Gain or Loss arising out of fluctuations in exchange rates is accounted in the Statement of Profit & Loss. Premium or discount on Forward Exchange Contracts is amortized as the expense or income over the tenure of the contract.

8. Employee Benefits:

Short Term Employee Benefits:

Short Term Employee Benefits for services rendered by employees are recognized during the period, when the services are rendered.

Post Employment Benefits:

The company does not have any industrial activity, hence Provident Fund & ESI are not applicable to the company.

Defined Benefit Plans:

Liability in respect of defined benefit plans i.e. gratuity is determined, based on actuarial valuation made by an independent actuary using the projected unit credit method as at the balance sheet date. The actuarial gains or losses are recognized immediately in the profit and loss account.

9. Revenue Recognition:

- Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax.

- (ii) Income from services rendered is recognized as and when services are rendered based on agreements/arrangements with the concerned parties.
- (iii) Export Incentive under Duty Entitlement Pass Book Scheme are treated as income in the year of export at the estimated realizable value.
- (iv) Interest income is accounted on accrual basis.
- (v) Dividend income is accounted when the right to receive the dividend is established

10. Impairment of Fixed Assets:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists of an asset, recoverable amount is estimated and impairment loss is recognized, whenever the carrying amount of an asset exceeds its recoverable amount. Reversal of impairment of losses recognized in previous years is recorded whenever there is an indication that impairment losses recognized for the asset no longer exists or has decreased.

11. Leases:

All the Operating Leased assets are presented in the Balance Sheet under the Fixed Assets. Lease Income from operating lease is recognized in the Statement of Profit and Loss on a straight line basis over the lease term. Costs including the depreciation and initial costs are recognized as expense.

12. Provisions and Contingencies:

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognized in the financial statements.

13. Operating Cycle:

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

14. Taxes on Income:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Minimum Alternate Tax (MAT) paid in accordance with

the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their reliability.

BOMMIDALA RAMA KRISHNA

Managing Director
DIN : 00105030

BOMMIDALA ANITHA

Director
DIN : 00112766

A.S. PRASAD

Chief Financial Officer

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

	<u>As at</u> <u>31-03-2015</u> Rs.	<u>As at</u> <u>31-03-2014</u> Rs.
1. SHARE CAPITAL		
Authorised Share capital 11,50,00,000 (11,50,00,000)		
Equity Share Capital of Rs. 1/- each (1/-)	115,000,000	115,000,000
	115,000,000	115,000,000
TOTAL		
Issued, Subscribed & Paid up Share capital: 1,54,48,584 (1,54,48,584) Equity Share Capital of Rs. 1/- each (1/-)*	15,448,584	15,448,584
	15,448,584	15,448,584
TOTAL		

Reconciliation of No. Equity Shares outstanding at the beginning and at the end of reporting period

	Nos.	Nos.
Balance at the beginning of the year	15,448,584	15,448,584
Add/(Less) shares issued and allotted during the year	-	-
Less: Shares bought back during the year	-	-
Balance at the closing of the year	15,448,584	15,448,584

Pursuant to the Scheme of Arrangement sanctioned by the Hon'ble High Court of Andhra Pradesh, Hyderabad on 13/02/2009, the company issued 91,69,184 new shares with the face value of Rs. 1/-each to the specified creditors against the amount standing to the credit of their respective accounts at "Discovered New Share Issue Price" and convert the same in to share capital by crediting to Paid-up Share Capital Rs. 91,69,184 and Rs 2,11,80,815 towards Share Premium Reserve.

The Equity Share Holders are entitled to receive dividends as and when declared. A right to vote in proportion to holding etc., and their right, preferences and restrictions are governed by/ in terms of their issue under the provisions of Companies Act, 2013.
Details of Shareholders holding shares more than 5% shares.

	<u>No.of Shares</u>	<u>Percentage</u>	<u>No.of Shares</u>	<u>Percentage</u>
Details of Shareholders holding shares more Sri Bommidala Rama Krishna	9,866,821	63.87%	9,866,821	63.87%
2. RESERVES & SURPLUS				
Securities Premium Reserve		21,180,815		21,180,815
As per Last Balance Sheet				
Add: Profit/(Loss) adjustments relating to Fixed Assets (Refer Note No: 9)	(10,444)	-		
Surplus - Balance in Statement of Profit & Loss				
As per Last balance Sheet	(34,217,895)		(34,122,222)	
Add: Profit/(Loss) for the year	(46,513)	(34,274,852)	(95,673)	(34,217,895)
TOTAL		(13,094,037)		(13,037,080)
3 Other Long Term Liabilities:				
(Un-secured & from related parties)				
Electricity Security Deposit received from Lessee		276,931		0
TOTAL		276,931		0
4 Long Term Provisions :				
Provision for employee benefits:				
Post Retirement Benefits		727,645		599,739
TOTAL		727,645		599,739
5 Short Term Borrowings :				
(Un-secured and payable on demand from related parties)				
From Directors		435,000		1,090,000
TOTAL		435,000		1,090,000
6 Trade Payable				
Micro, Small and Medium Enterprises		-		-
Others		131,038		477,600
TOTAL		131,038		477,600
7 Other Current Liabilities:				
Income received in advance		675,000		675,000
TOTAL		675,000		675,000
8 Short Term Provisions:				
Provision for employees benefit & Post retirement benefits		61,138		127,906
TOTAL		61,138		127,906

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

9. FIXED ASSETS		GROSS BLOCK (COST)						DEPRECIATION/AMORTISATION				NET BLOCK	
		As at 31-3-2014	Additions during the Year	Deletions during the Year	As at 31-3-2015	As at 31-3-2014	For the Year	Deletions/ Adjust- ments	As at 31-3-2015	As at 31-3-2015	As at 31-3-2014		
Description of Assets	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		
Tangible Assets:													
Land	16,19,333	-	-	16,19,333	-	-	-	-	-	16,19,333	16,19,333		
Buildings	45,32,568	-	-	45,32,568	34,85,792	49,010	9,851	35,44,653	9,87,916	10,46,776	10,46,776		
Plant & Machinery	2,88,66,359	-	-	2,88,66,359	2,79,35,448	1,329	402	2,79,37,179	9,29,181	9,30,911	9,30,911		
Elec. Installation	19,443	-	-	19,443	8,220	3,334	-	11,554	7,889	11,223	11,223		
Furniture & Fixtures	1,37,355	-	-	1,37,355	1,19,656	4,735	-	1,24,391	12,964	17,699	17,699		
Vehicles	1,85,503	-	-	1,85,503	94,087	24,032	-	1,18,119	67,384	91,416	91,416		
Equipment *	1,94,402	7,797	-	2,02,199	1,42,244	32,918	191	1,75,353	26,846	52,158	52,158		
Computers	6,100	-	-	6,100	6,096	-	-	6,096	4	4	4		
Total	3,55,61,063	7,797	-	3,55,68,860	3,17,91,543	1,15,358	10,444	3,19,17,345	36,51,517	37,69,520	37,69,520		
Previous Year	3,62,29,108	1,58,669	8,26,714	3,55,61,063	3,23,32,638	2,72,155	8,13,250	3,17,91,543	37,69,520	38,96,470	38,96,470		

*Include Office Equipment

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.		
10 Non-current Investments:				
Other Investments:				
Investment in Govt. Securities (Unquoted at cost)	3,000	3,000		
TOTAL	3,000	3,000		
11 Other Non-current assets:				
Deposits (Unsecured, considered good)	1,000	1,000		
Advance payment of Non-Agrl. Tax	240,970	240,970		
TOTAL	241,970	241,970		
12 Trade Receivables				
Unsecured & Considered Good:				
Outstanding for more than Six months from the date they are due others	-	276,973		
TOTAL	-	276,973		
13 Cash & Cash Equivalents:				
Balances with Banks in Current Account	48,794	75,790		
Cash on hand	932	216,602		
TOTAL	49,726	292,392		
14 Short Term Loans & Advances:				
(Unsecured, Considered Good)				
Employee advances	15,000	97,415		
TDS Refundable	270,000	270,000		
TOTAL	285,000	367,415		
15 Other Current Assets				
Interest accrued on Investments	3,000	3,000		
Electricity Deposit	424,351	424,351		
Prepaid Expenses	2,735	3,128		
TOTAL	430,086	430,479		
16 Revenue from Operations:				
Sale of Shrimp Products	-	17,04,060		
Other Operating Revenues:				
Lease income from Aqua Farm	2,700,000	2,025,000		
TOTAL	2,700,000	3,729,060		
17 Other Income :				
Interest Received	13,010	-		
Other Non-operating Income	-	-		
TOTAL	13,010	-		
18 Cost of Raw Material Consumed:				
Particulars of Materials consumed				
Feed	-	339,263		
Chemicals	-	14,714		
TOTAL	-	353,977		
	Value	%	Value	%
Imported	-	-	-	-
Indigenous	-	-	353,977	100
	-	-	353,977	100

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

	As at <u>31-03-2015</u> Rs.	As at <u>31-03-2014</u> Rs.
19 Changes in Inventories of Finished goods, work in progress and Stock in trade:		
Inventories (at close)	-	-
Work-in-process	-	-
Inventories (at commencement)	-	838,954
Work-in-process	-	-
TOTAL	<u>-</u>	<u>838,954</u>
20 Employee Benefits Expense		
Salaries & Wages	832,000	1,221,750
Staff Welfare Expenses	-	44,385
Gratuity	61,138	121,367
TOTAL	<u>893,138</u>	<u>1,387,502</u>
21 Depreciation and amortisation expenses		
Depreciation on tangible assets.	115,358	272,155
	<u>115,358</u>	<u>272,155</u>
22 Other Expenses		
Power & Fuel	-	16,098
Repairs to Buildings	-	7,392
Insurance	2,644	2,088
Rates & Taxes	297,077	82,821
Printing & Stationery	172,298	123,964
Postage, Phone & Telex	356,994	126,953
Professional & Legal Charges	351,947	309,912
Travelling & Conveyance	150,696	135,767
Advertisement	313,284	253,248
Scheme Expenses Written off	-	219,980
Audit fee & expenses	50,562	50,562
Other Miscellaneous items	45,795	121,078
TOTAL	<u>1,741,297</u>	<u>1,449,863</u>
23 Exceptional Items:		
Profit on sales of Assets	-	498,392
Gratuity Provision Written Back	-	110,366
Prior year - Income Tax	(9,730)	(14,640)
	<u>(9,730)</u>	<u>5,94,118</u>
24. Foreign Currency Transactions and other financial information :		
1) Expenditure in imports on CIF basis in respect of raw materials	NIL	NIL
2) Expenditure in foreign currency	NIL	NIL
3) Dividend remitted in foreign currency	NIL	NIL
4) Earnings in foreign currency	NIL	NIL
25 Auditors Remuneration:		
Auditors Remuneration included under other expenses: (Refer Note No 22 to financial statements)		
Audit Fees	0.15	0.15
Certification Fees	0.20	0.20
Out of pocket expenses	NIL	NIL
Service Tax	0.05	0.05
Tax representation fees	<u>0.11</u>	<u>0.11</u>
Total	<u>0.51</u>	<u>0.51</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

26 Contingent Liabilities & Provisions:

Contingent Liabilities – Litigation and related disputes:

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for: – NIL –
 (b) Claims against the company by 59.07 Lakhs. (Previous year Rs.56.36 Lakhs).

27. The Prawn farm was given on operating lease even though some part of the farm is under Coastal Regulation Zone. But it was not applicable to creek.

28. Employee Benefits:

Consequent upon adoption of Accounting Standard on Employee Benefits (AS 15) (Revised 2005) as required by the Standard the following disclosures are made:

Reconciliation of opening and closing balances of the present value of the defined benefit obligation.	2014-15	2013-14
	(Un Funded)	
Obligation at period beginning (1 st April, 2014) as per Actuarial Valuation Report	7.28	9.74
Current Service Cost	0.37	1.21
Actuarial (gain)/loss	(0.34)	(1.10)
Benefits paid	NIL	(2.57)
Obligation at the year end (31 st March, 2015)	7.89	7.28
Changes in Plan Assets	N.A.	N.A.
Plan Assets at period beginning, at fair value	-	-
Expected returns on plan assets	-	-
Actuarial gain/(loss)	-	-
Contributions	-	-
Benefits paid	-	-
Plan assets at the year end, at fair value	NIL	NIL
Reconciliation of present value of the obligations at the end of the year		
Fair value of plan assets at the end of the year	NIL	NIL
Present value of defined benefits obligation at the end of the year	7.89	7.28
Liability/(Asset) recognized in the Balance Sheet.	7.89	7.28
Cost of the year		
Current Service Cost	0.37	0.36
Interest cost	0.58	0.85
Expected return on plan assets	-	-
Actuarial gain/(loss)	(0.34)	(0.11)
Net cost recognized in the Profit/Loss account	0.61	1.21
Assumption used to determine the benefit obligations		
Interest Rate	8.00%	8.75%
Estimated rate of return on plan assets	N.A.	N.A.
Expected rate of increase in salary	6.50%	7.00%
Actuarial return on plan assets.	-	-
Current Liability (Amount estimated to be due within one year)	1.34	1.28
Non-Current Liability (Amount estimated to be due over year)	6.55	6.00

	Year ended 31.03.2015 Rs.in lakhs	Year ended 31.03.2014 Rs.in lakhs
29) Earnings per share		
a) Net profit/(loss) available for Equity Share holders.		
Before Exceptional Items	(0.37)	(5.73)
After Exceptional Items	(0.47)	(0.95)
b) Weighted average (No of Equity shares is used as Denominator for calculation of EPS)	1,54,48,584	1,54,48,584
c) Basic & diluted Earnings Per Share.		
Before Exceptional Items	(0.01)	(0.04)
After Exceptional Items	(0.01)	(0.01)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

30 Related Party Disclosures:

1. Key Management Personnel : Sri Bommidala Ramakrishna and Mr. Arisetty Sai Prasad.
2. Associate Companies / Firms
 - 1) Bommidala Tobacco Exporters Pvt., Ltd
 - 2) Hotel Shivam International (P) Ltd
 - 3) Bommidala Exports (P) Ltd
 - 4) Digital Keyboard (P) Ltd.,
 - 5) Sampath Hotels and Resorts (P) Ltd.,
 - 6) Meghalaya Hotels (P) Ltd.,
 - 7) A One Duty Free (P) Ltd.,
 - 8) Hindustan Tobacco Co., (Partnership Firm)
 - 9) Bommidala Ventures (P) Ltd.,
 - 10) Bommidala Exports (Partnership Firm)

Transactions during the year with related parties.

(Rs.in lakhs)

Particulars	Key Management Personnel	Associate Companies
i) Managing Directors Remuneration (included in Salaries & Wages)	4.20 (4.20)	---
ii) Unsecured Loan received, net of repayment	(-) 6.55 (10.90)	----
iii) Unsecured Loan Balance at the year end	4.35 (10.90)	----

31) Farm Given on Lease

The Company has given its Farm assets for an operating lease for 84 Months to a company from first July 2013 onwards.

a. Details of the Operating Leased Assets

	Land	Ponds & Other Fixed Assets (Shown under Plant & Machinery)	Buildings	Electrical Installations
Total Gross Value of the assets	16.19	288.66	45.33	0.20
Total accumulated Depreciation		279.37	35.44	0.11
Total Depreciation recognized in Statement of Profit and Loss during the Lease period of 9 months.		0.01	0.49*	0.03

*excludes the depreciation adjusted from reserves & surplus.

b. Minimum Lease Payments under operating lease in the aggregate for the following periods (Rs. In Lakhs)

	2014-15	2013-14
Not Later than one year	29.03	27.00
More than One Year and less than five years	129.44	123.32

c. Total Lease Rent recognized as income in the

Statement of Profit and Loss for the lease period	27.00	20.25
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d. The direct costs for maintenance of the leased assets are recognized as an expense in the Statement of the Profit and Loss for the year ended 31.03.2015.

32. In view of carried forward losses/unabsorbed depreciation in respect of past years and the company does not have the taxable income in the near future and hence, cumulative net deferred tax assets after deducting deferred tax liabilities have not been recognized by the company on prudence basis in accordance with the Accounting Standard prescribed under Companies Act, 2013
33. The Company is engaged only in a single business segment viz. shrimp business and lease of the shrimp farm, hence, no separate segment report is made.
34. No Provision for Taxes made during the year, as the adequate carry forward business loss and depreciation is available as per records.
35. The financial statements were prepared on going concern basis as the Farm was given operating lease getting consistent income. Further the company will undertake business operations after completion of lease.
36. There was no demand from the concerned department regarding Non- Agriculture Tax during the year. However, the company had shown an amount of Rs.59.07 lakhs as contingent liability as the matter was in the Court.
37. Figures have been rounded off to the nearest rupee and figures in brackets have been reduced from the totals. Previous Year numbers have been regrouped, where ever necessary.

As per our attached report of even date

for **GARLAPATI & CO.,**

Firm Regn. No. 000892S

Chartered Accountants

BOMMIDALA RAMA KRISHNA
Managing Director, DIN : 00105030

BOMMIDALA ANITHA
Director, DIN : 00112766

GARLAPATI SATYANARAYANA

Partner (M.No. 022101)

A.S. PRASAD

Chief Financial Officer

Place : Guntur

Date: 29th May, 2015.

BKV INDUSTRIES LIMITED "and reduced"

CIN: L05005AP1993PLC015304

Regd. Office : "Bommidala House"

D.No.5-87-15/A, Lakshmpuram Main Road, Guntur - 522 007.

Please complete the attendance slip and hand it over at the entrance of Meeting Hall and also bring your copy of the enclosed Annual Report.

ATTENDANCE SLIP

I here by record my presence at the 22nd Annual General Meeting of the company held on 14th September 2015.

Regd. Folio No.	DP Id*
No.of shares	Client Id*
Name of the Share holder (in block letters)	
Signature of the shareholder or proxy	

*Applicable for investors holding shares in electronic form.

BKV INDUSTRIES LIMITED "and reduced"

CIN:L05005AP1993PLC015304

Regd. Office : "Bommidala House"

D.No. 5-87-15/A, Lakshmpuram Main Road, Guntur - 522 007.

PROXY FORM / FORM NO : MGT - 11

(PURSUANT TO SECTION 105(6) OF THE COMPANIES ACT, 2013 AND RULE 19(3) OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULE,2014).

Name of the member(s):	e-mail Id:
Registered Address:	Folio No/* Client Id:
	*DP Id:

I/We, being the member(s) of _____ of _____ shares of BKV INDUSTRIES LIMITED, hereby appoint:

1. _____ of _____ having e-mail id _____ or failing him
2. _____ of _____ having e-mail id _____ or failing him
3. _____ of _____ having e-mail Id _____ or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the 22nd Annual General Meeting of the Company, to be held on Monday, September 14, 2015 at 03.30 P.M. at Bommidala Cold Complex, By- pass Road, Lalpuram, Guntur- 522017 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

S. No.	Resolutions	For	Against
	Consider and adopt:		
1.	Audited Financial Statement, Reports of the Board of Directors and Auditors		
2.	Re – appointment of Smt. Bommidala Anitha (DIN:00112766)		
3.	Appointment of Auditors and fixing their remuneration		

NOTE: The proxy form duly completed shall be deposited at the Registered Office of the company not less than 48 hours before the time for holding the Meeting. Proxy need not be a member.

Affix Rs.1/
Revenue
Stamp



If undelivered please return to

BKV INDUSTRIES LIMITED

'and reduced'

"Bommidala House", D.No. 5-87-15/A,
Lakshmipuram Main Road, GUNTUR - 522 007.
Andhra Pradesh