



BALKRISHNA INDUSTRIES LTD

Investor Presentation

February 2020

Safe Harbor

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Our Performance



9MFY20 Performance

9MFY20



143,794 MT
Sales Volume



Rs. 3,508 Cr
Revenue



Rs. 974 Cr
EBITDA
Margin : 27.8%



Rs. 688 Cr
PAT

Q3FY20



47,321 MT
Sales Volume



Rs. 1,183 Cr
Revenue



Rs. 369 Cr
EBITDA*
Margin : 31.2%

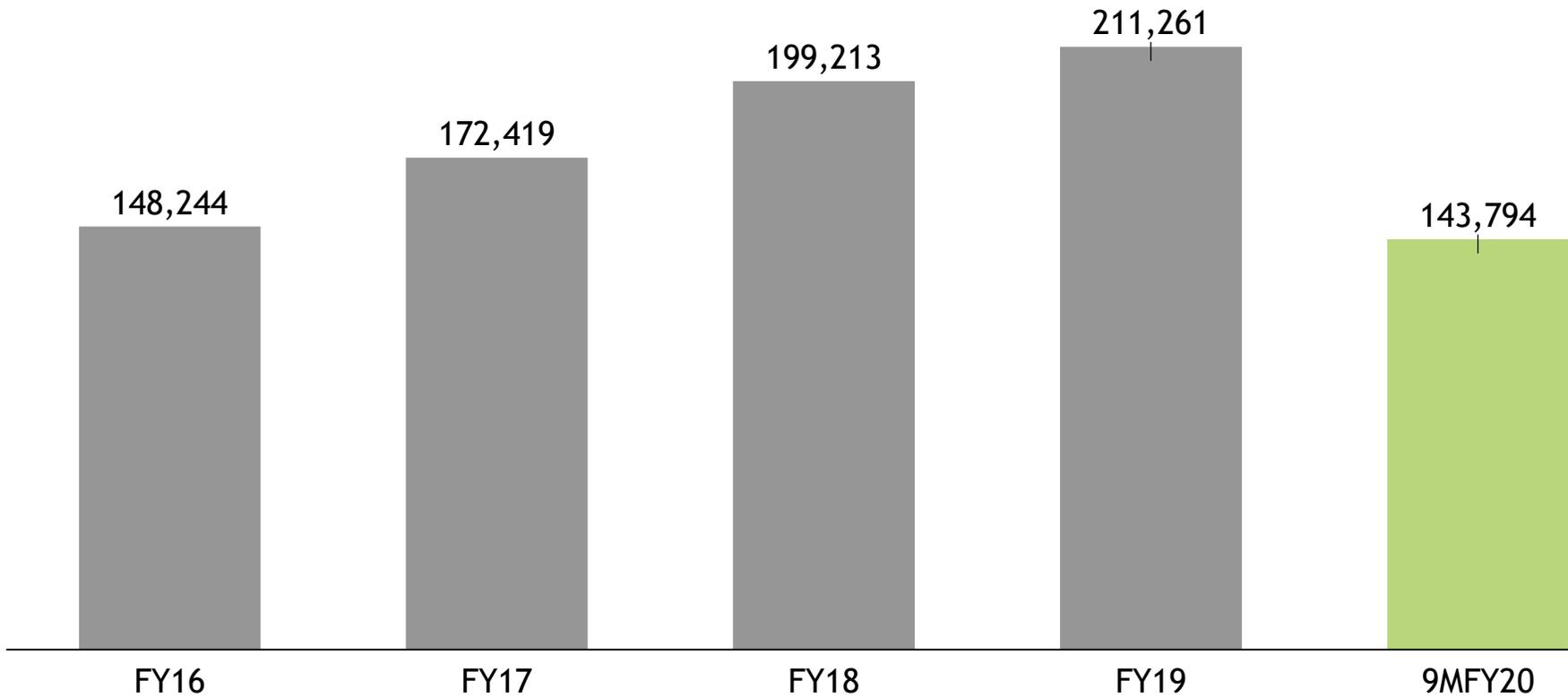


Rs. 221 Cr
PAT

Board of Directors declared a 3rd Interim Dividend of Rs. 16/- per equity share

Sales Profile

In MT



Management Commentary

01

The markets continue to remain challenging. However, with improving global macro-economic situation and expectation of better weather conditions and therefore our business may see better growth in FY21 compared to the current year

02

During last quarter, we had guided for a better volume performance in H2FY20 over H1FY20, and we remain confident on the same. We expect to end FY20 with minor de-growth on sales volumes

03

With our growing focus on improving our product portfolio, consistent product quality, efficient service levels, better brand recognition with end customers, we believe we will continue to gain market share across segments in the years to come

Profit & Loss

| Particulars (Rs. Cr) | Standalone | | | | | | |
|-----------------------------------|---------------|---------------|------------|----------------|----------------|-------------|----------------|
| | Q3FY20 | Q3FY19 | YoY % | 9MFY20 | 9MFY19 | YoY % | FY19 |
| Sales (MT) | 47,321 | 46,780 | 1% | 143,794 | 155,783 | -8% | 211,261 |
| Revenue from Operations | 1,161 | 1,206 | | 3,425 | 3,893 | | 5,244 |
| Realized Gain on Foreign Exchange | 23 | -9 | | 83 | 88 | | 91 |
| Total Income | 1,183 | 1,197 | -1% | 3,508 | 3,981 | -12% | 5,335 |
| Raw Material | 501 | 571 | | 1,559 | 1,867 | | 2,501 |
| (Increase) / Decrease in Stock | -22 | -18 | | -38 | -63 | | -39 |
| Employee Expenses | 71 | 68 | | 210 | 204 | | 264 |
| Other Expenses | 264 | 273 | | 802 | 880 | | 1,133 |
| Reported EBITDA | 369 | 303 | 22% | 974 | 1,093 | -11% | 1,430 |
| Reported EBITDA Margin | 31.2% | 25.3% | | 27.8% | 27.5% | | 26.8% |
| Other Income # | 2 | -1 | | 86 | 72 | | 96 |
| Interest & Finance Charges | 2 | 2 | | 5 | 8 | | 10 |
| Depreciation | 95 | 83 | | 270 | 250 | | 333 |
| Profit Before Tax | 275 | 217 | 27% | 784 | 907 | -14% | 1,183 |
| Tax | 54 | 72 | | 96 | 310 | | 401 |
| PAT | 221 | 145 | 52% | 688 | 597 | 15% | 782 |
| PAT Margin | 18.6% | 12.1% | | 19.6% | 15.0% | | 14.7% |

Includes Investment Income and Unrealized Gain/(Loss)

Other Income and Net Forex Gain/(Loss)

| Particulars (Rs. Cr) | Standalone | | | |
|--|------------|----------|------------|------------|
| | Q3FY20 | Q3FY19 | 9MFY20 | 9MFY19 |
| Exchange Difference Gain (Realized) | 28 | 2 | 97 | 102 |
| Exchange Difference Gain (Un-Realized) | -22 | -34 | 6 | 8 |
| Others | 24 | 33 | 80 | 64 |
| Total Other Income | 30 | 1 | 182 | 174 |

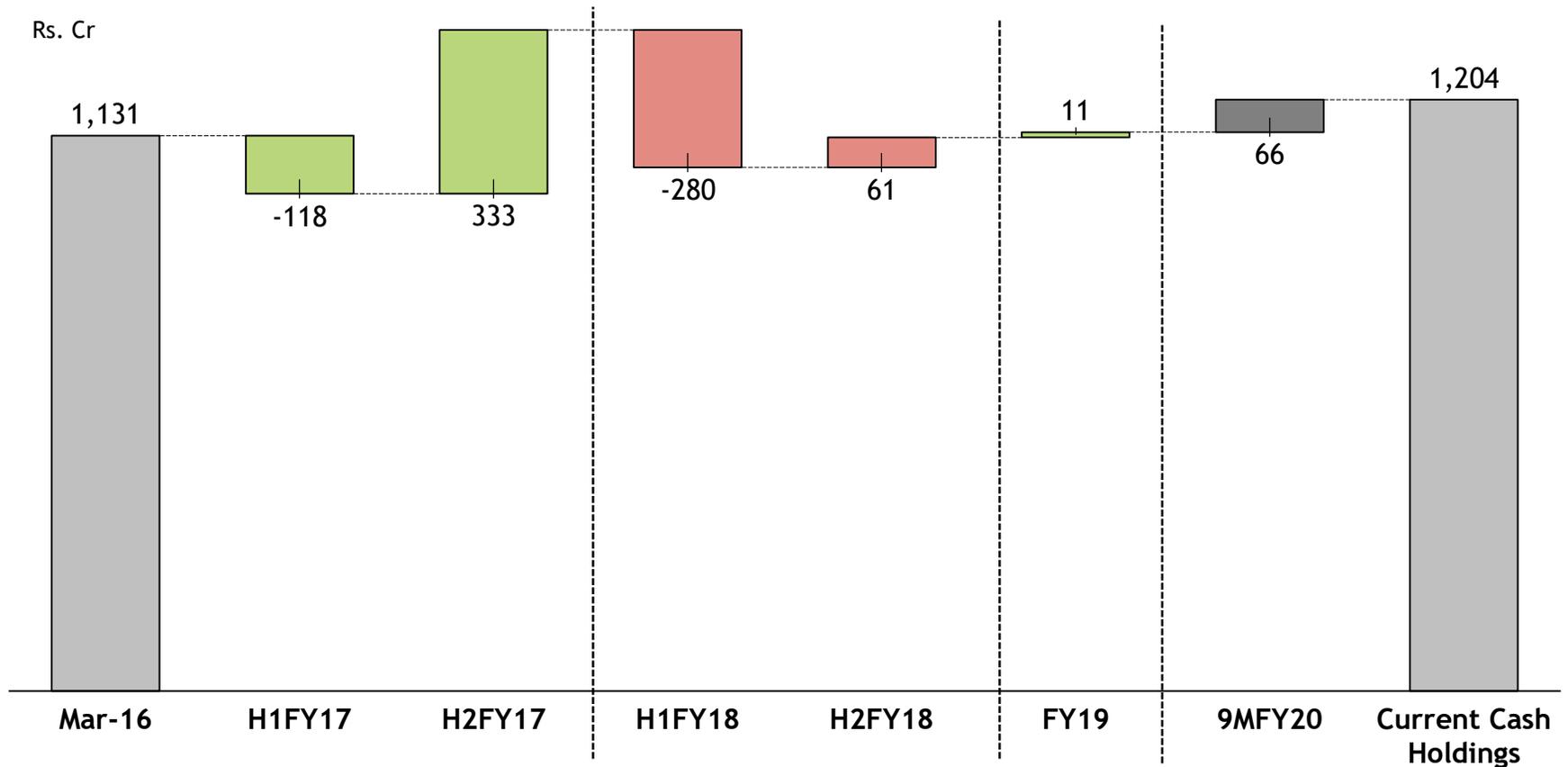
| Particulars (Rs. Cr) | Standalone | | | |
|---|------------|------------|------------|------------|
| | Q3FY20 | Q3FY19 | 9MFY20 | 9MFY19 |
| Foreign Exchange Fluctuation on Sales | 23 | -9 | 83 | 88 |
| Foreign Exchange Fluctuation on Others | 5 | 11 | 14 | 15 |
| Total Realised Gain/(Loss) – A | 28 | 2 | 97 | 102 |
| Total Unrealized Gain/(Loss) - B | -22 | -34 | 6 | 8 |
| | | | | |
| Net Forex Gain/(Loss) = A + B | 6 | -32 | 103 | 110 |

Balance Sheet

| Particulars (Rs. Cr.) | Sep'19 | Mar'19 |
|---|--------------|--------------|
| ASSETS | | |
| Non-current assets | 4,430 | 3,994 |
| Property, Plant and Equipment | 2,983 | 2,707 |
| Capital work-in-progress | 506 | 585 |
| Investment Property | 87 | 77 |
| Other Tangible Assets | 3 | 2 |
| Financial Assets | | |
| (i) Investments | 495 | 320 |
| (ii) Other Financial Assets | 13 | 10 |
| Income Tax Assets (Net) | 98 | 96 |
| Other non-current assets | 247 | 197 |
| Current assets | 2,063 | 2,435 |
| Inventories | 641 | 713 |
| Financial Assets | | |
| (i) Investments | 660 | 763 |
| (ii) Trade Receivables | 509 | 568 |
| (iii) Cash and cash equivalents | 26 | 36 |
| (iv) Bank Balances other than (iii) above | 19 | 19 |
| (v) Loans | 5 | 5 |
| (vi) Others | 28 | 57 |
| Other Current Assets | 174 | 273 |
| TOTAL | 6,493 | 6,430 |

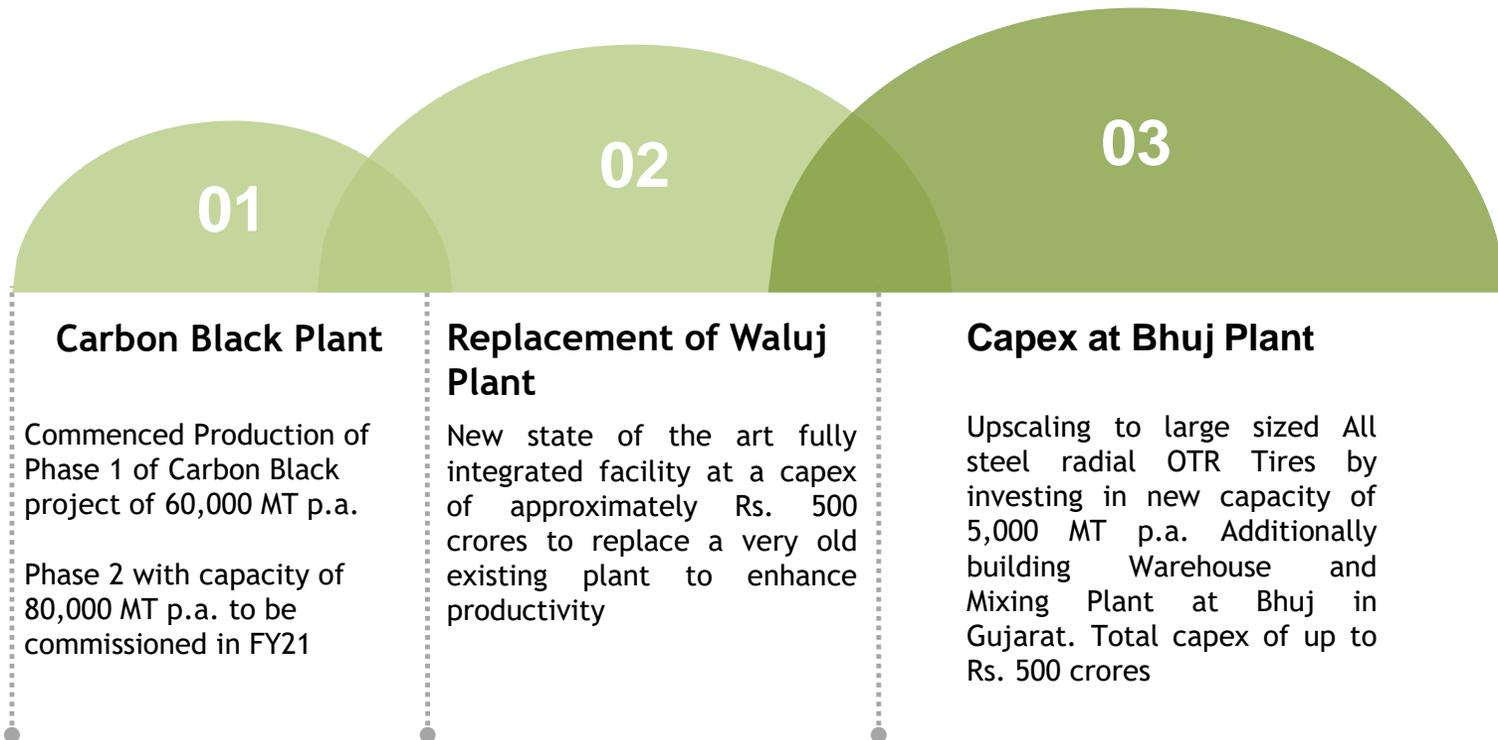
| Particulars (Rs. Cr.) | Sep'19 | Mar'19 |
|-----------------------------------|--------------|--------------|
| EQUITY AND LIABILITIES | | |
| EQUITY | 5,017 | 4,679 |
| Equity Share Capital | 39 | 39 |
| Other Equity | 4,979 | 4,640 |
| | | |
| Non-Current Liabilities | 278 | 369 |
| Financial Liabilities | | |
| (i) Borrowings | 2 | 2 |
| (i) Other Financial Liabilities | 8 | 7 |
| Provisions | 22 | 17 |
| Deferred Tax Liabilities (Net) | 217 | 326 |
| Other Non-Current Liabilities | 30 | 16 |
| Current liabilities | 1,197 | 1,382 |
| Financial Liabilities | | |
| (i) Borrowings | 669 | 827 |
| (ii) Trade Payables | 327 | 357 |
| (iii) Other Financial Liabilities | 78 | 56 |
| Other Current Liabilities | 116 | 135 |
| Provisions | 8 | 8 |
| | | |
| TOTAL | 6,493 | 6,430 |

Healthy Cash holdings



Zero Long Term Debt

BKT 2.0: Embarking on next Phase of Growth

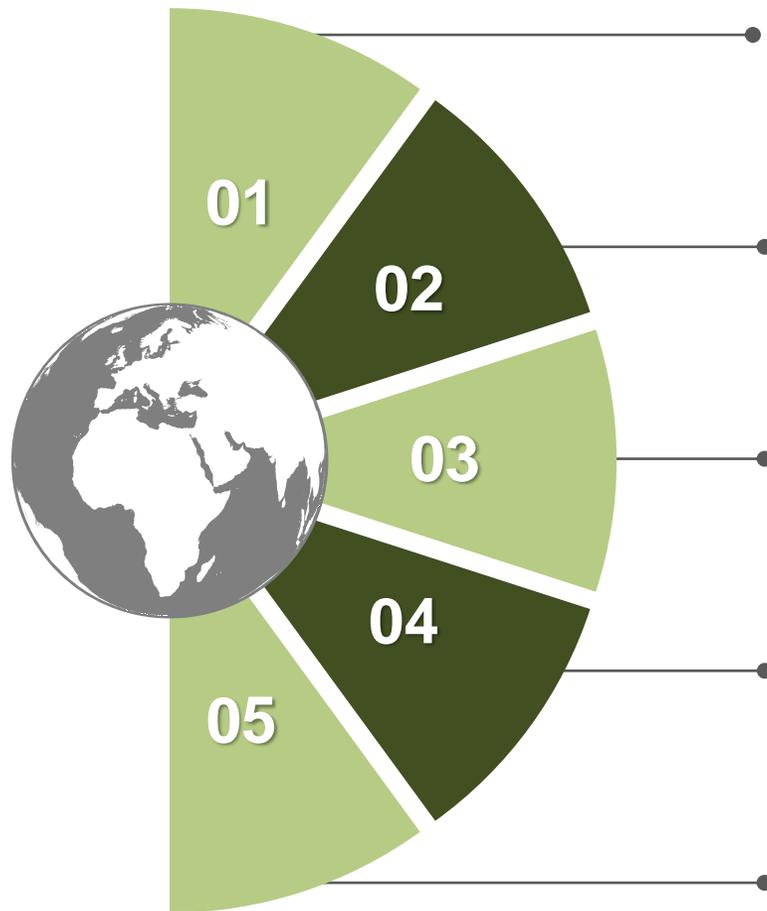


India Capex Plan is progressing as per schedule

Strategy at BKT



Our Focus Area



Market Reach

Expand reach within existing Sales Channels as well increase footprint within replacement segment and OEMs

Penetrate Americas

Increase share of business in USA markets by increasing supplies from India

Product portfolio expansion

Expand the product portfolio by adding large sized tires and strengthen relationship with Customer base

Indian Markets

Strengthen our distribution channels within Indian Markets

Utilization

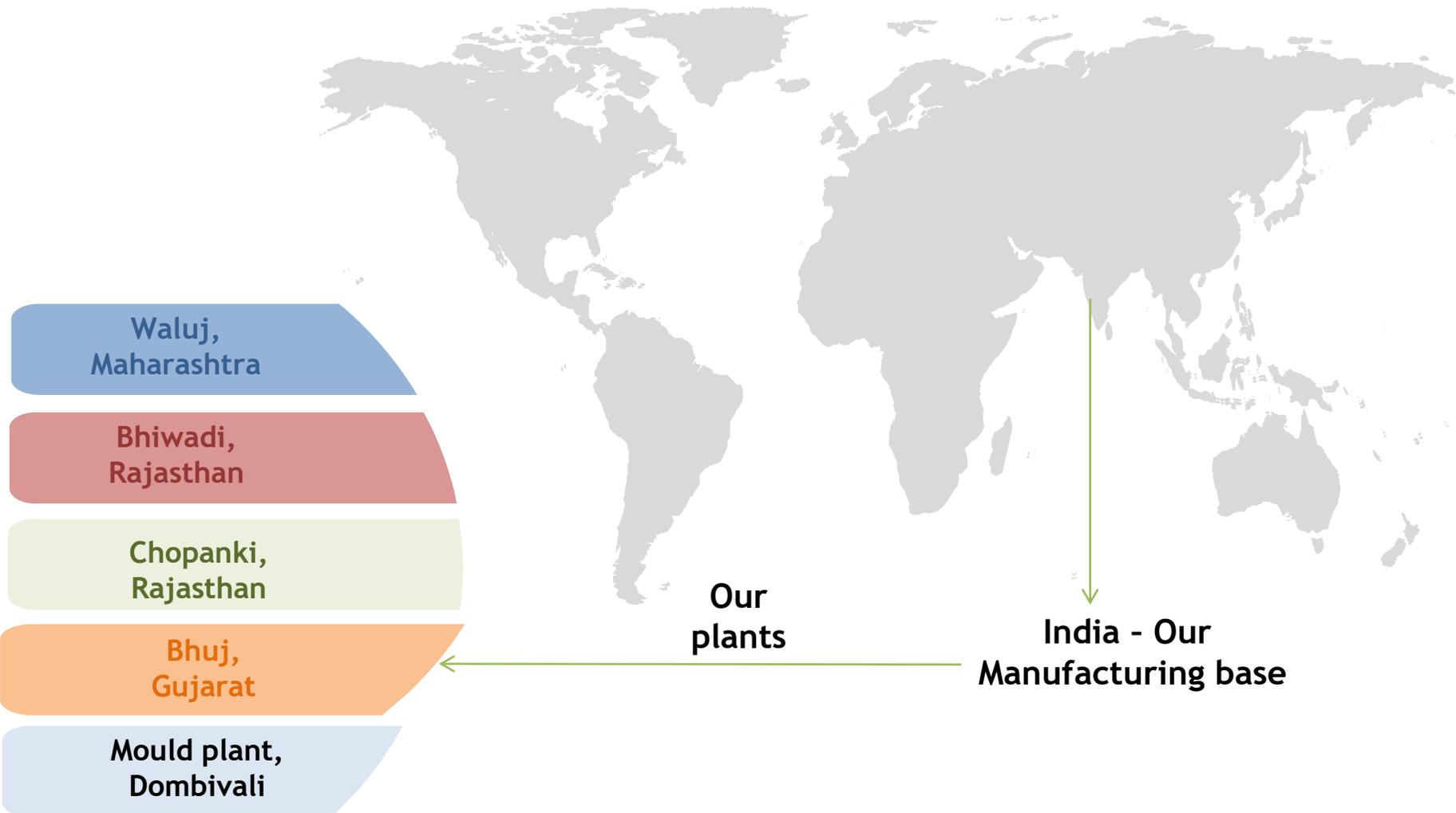
Reach 100% utilization levels at Bhuj Plant in the next few years

To Serve Global OEMs...



The Brand Names mentioned are the property of their respective owners and are used here for identification purposes only

With India Production and Global Sales



BKT - A Strong Indian Brand

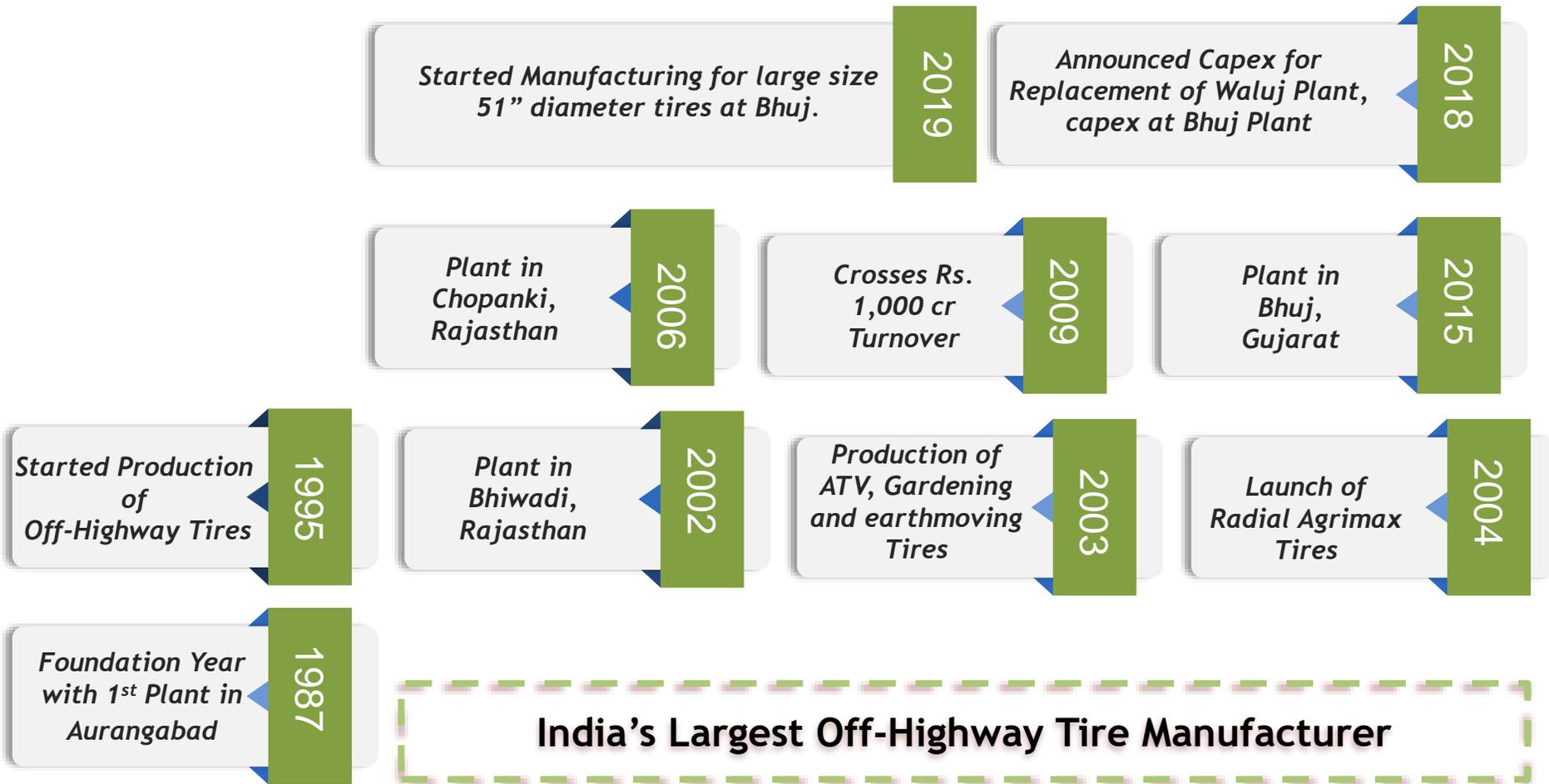


[Click here](#) for BKT Corporate Video

Balkrishna Industries - A Snapshot



Our Strong Evolution



Awards and Accolades



BKT Earthmax SR 45 M has been awarded the best OTR tire at Hevea Awards for the Tyre Industry, 2019 at Motortec Automechanika, Spain



BKT received award from John Deere Enterprise Supply Management for achieving Excellence (Partner Level Performance)

Application of our Tires

Agriculture Tires



Cotton Pick Harvester



Tractor



Vineyard Tractor



Pivot Irrigator

Industrial Tires



Loader



Telehandler



Mobile Crane

OTR Tires



Load Haul Dump



Underground Mining



Container Handler

Strengthening BKT Brand : USA



BKT is the Official and Exclusive Tire manufacturer of MONSTER JAM and its fleet of Monster Trucks - Monster Jam is a top sporting event in America

Strengthening BKT Brand : Canada



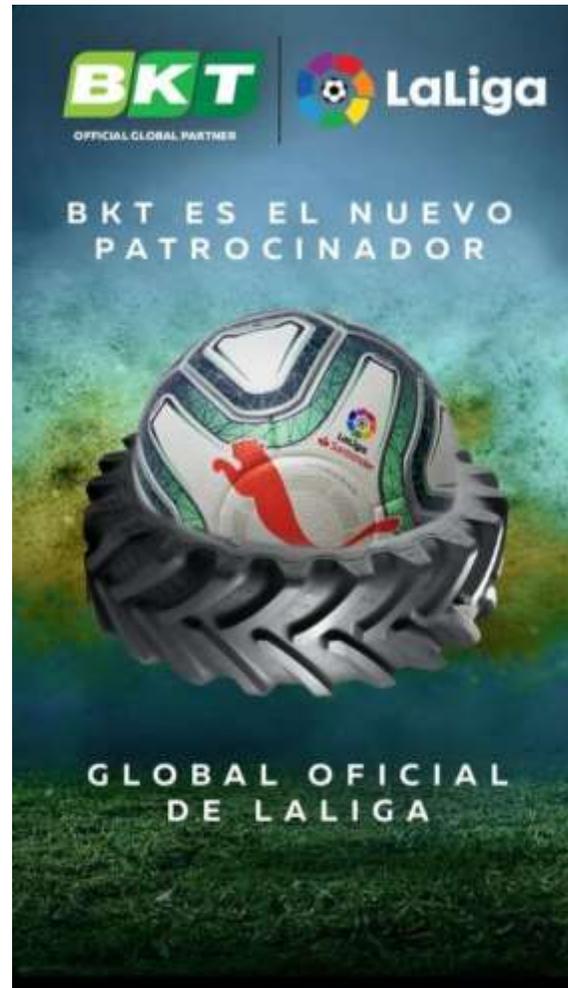
BKT Continental Cup - Curling: BKT is the Title Sponsor of Continental Cup

Strengthening BKT Brand : Italy, Europe



BKT is the new Title Sponsor for the ITALIAN SERIE 'B' FOOTBALL CHAMPIONSHIP - THE NEWBORN - "SERIE BKT"

Strengthening BKT Brand : Spain, Europe



**BKT is the New Official Global Partner for the Spanish Football League
“La Liga”**

Strengthening BKT Brand : France, Europe



**BKT is the New TITLE Sponsor for the FRENCH Football League
“COUPE DE LA LIGUE BKT”**

Strengthening BKT Brand : Australia



**BKT is the Official “OFF-HIGHWAY TIRE PARTNER” for
KFC BIG BASH LEAGUE (THE AUSTRALIAN CRICKET LEAGUE)**

Strengthening BKT Brand : India



Supporting Kabbadi by becoming the official Tire Partner for 8 marquee Teams in Pro Kabbadi League

Strengthening BKT Brand : India

क्रिकेट के अनेक रंग,
BKT टायर जोड़े सबको संग

OFF-HIGHWAY TIRE PARTNER **BKT** GROWING TOGETHER

Logos for SANKAR CEMENT, TNPL, and various cricket teams are visible at the bottom of the advertisement.

OFF-HIGHWAY TIRE PARTNER
FOR THE 'TAMIL NADU
PREMIER LEAGUE' (TNPL) FOR
T-20 CRICKET

Strengthening BKT Brand : Sunny Deol our Brand Ambassador



OFF-HIGHWAY
TIRE SOLUTIONS

देश की धरती से जुड़ा **BKT**
GROWING TOGETHER

खेत की मिट्टी पर जम के चले
बी. के. टी टायर

ग्राहक सेवा: agri.india@bkt-tires.com • bkt-tires.com    

Popular Bollywood Icon Sunny Deol is the Brand Ambassador of BKT

For further information, please contact:

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