



BALKRISHNA INDUSTRIES LTD

Investor Presentation - June 2020

Safe Harbor

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Our Performance



Sales
Volumes

201,760 MT
Sales Volume for
FY20

57,966 MT
Sales Volume for
Q4FY20



Revenue

Rs. 4,898 Cr
Revenue for
FY20

Rs. 1,389 Cr
Revenue for
Q4FY20



EBITDA

Rs. 1,381 Cr
EBITDA in FY20
with margin of
28.2%

Rs. 407 Cr
EBITDA in Q4FY20
with margin of
29.3%



PAT

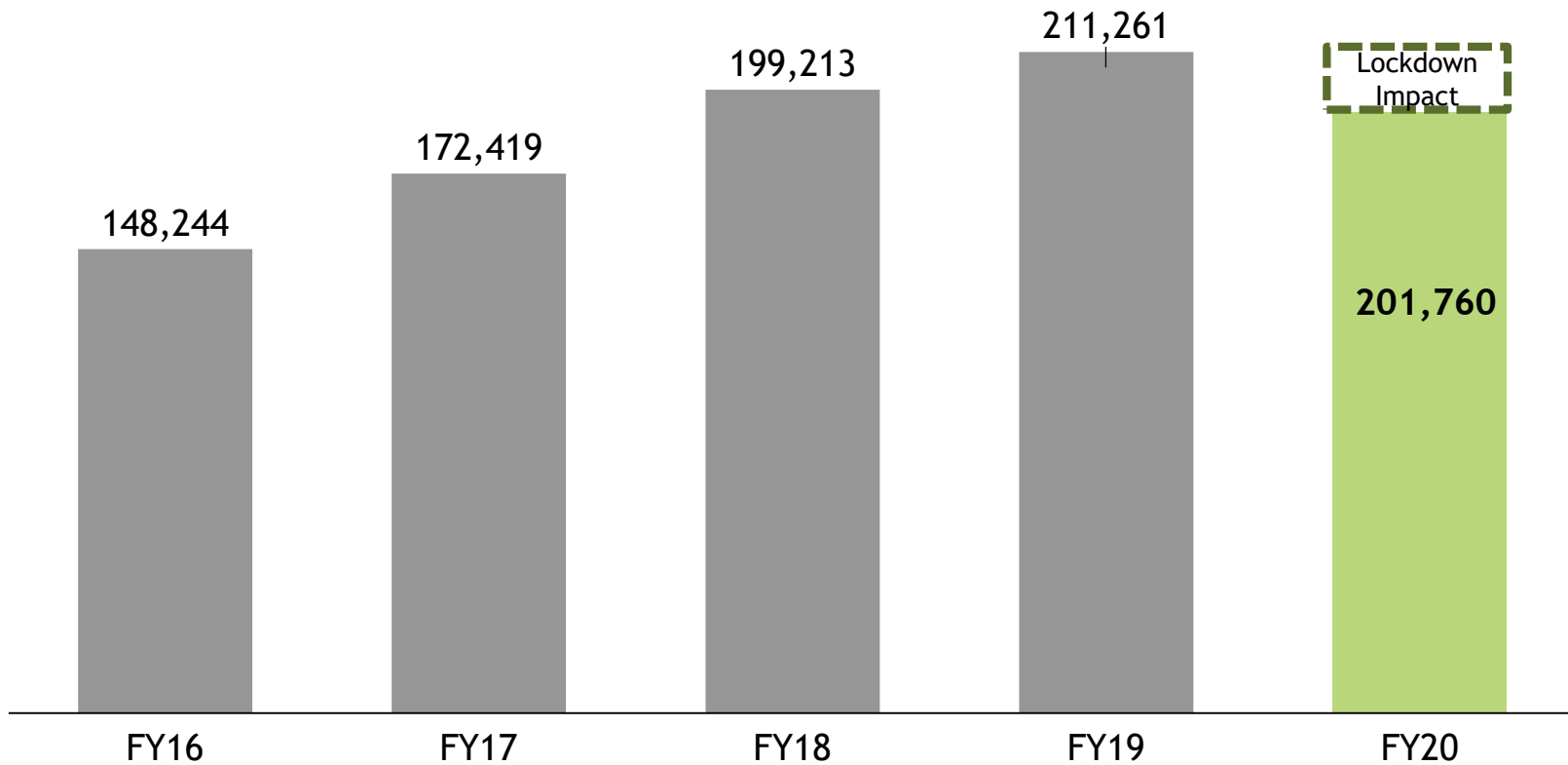
Rs. 945 Cr
PAT in FY20

Rs. 257 Cr
PAT in Q4FY20

Achieved Highest ever Quarterly sales Volumes in Q4FY20, In spite of lockdown during the last 7 days of March 2020

Sales Profile

In MT



The shutdown in manufacturing coupled with a complete halt in logistics led in zero sales during the last 7 days of March 2020

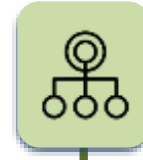
Resilient Business Model



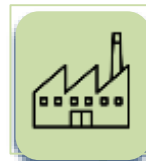
Long Term Debt Free



Diversified Product Portfolio,
spread across Agriculture,
Industrial, Construction
and mining tires



Self Reliant in Carbon Black
along with Multiple sourcing
arrangements for other Raw
Materials



Capex ready

BKT has built a resilient business model and is confident to withstand the near term challenges to emerge stronger with a higher global market share

Management Commentary

01

During February 2020, we had indicated that we should be able to cross 2,00,000 MT sales volume for FY20. **We have crossed this benchmark and have achieved the sales volume of 201,760 MT for FY20.** This is despite shutdown of manufacturing operations and dispatches across all our plants from 25th March 2020 due to lockdown on account of COVID-19

02

After resumption of manufacturing activities and dispatches in later part of April 2020, we **were gradually able to ramp up our activities and have gradually gained normalcy in our manufacturing activities as well as dispatches to a large extent**

03

If everything remains what it is, as of today, **Performance for FY21 should be at similar levels, of what has been achieved during FY20**

Operating with increased Safety Measures



Employee Safety

- ✓ Encouraging employees to adopt to general principles of social distancing, health and safety of self and society at large
- ✓ Launched interactive sessions for the wellbeing of employees



Liquidity Management

- ✓ Financial prudence
- ✓ Each Cost Line item reviewed and actioned to optimize cost & resource utilization



Engagement with stakeholders

- ✓ Continuous engagement with internal and external stakeholders through online meetings
- ✓ Facilitated Work From Home (WFH) to all employees except blue collar and field force teams



Customer Management

- ✓ Enhancing customer relationships through regular interactions
- ✓ Closely monitoring business impact

Profit & Loss

Particulars (Rs.Cr)	Standalone					
	Q4FY20	Q4FY19	YoY %	FY20	FY19	YoY %
Sales (MT)	57,966	55,388	5%	201,760	211,261	-4%
Revenue from Operations	1,357	1,351		4,782	5,245	
Realized Gain on Foreign Exchange	32	3		115	91	
Total Income	1,389	1,354	3%	4,898	5,335	-8%
Raw Material	519	635		2,078	2,501	
(Increase) / Decrease in Stock	86	25		49	-39	
Employee Expenses	75	59		286	264	
Other Expenses	302	299		1,104	1,179	
EBITDA	407	336		1,381	1,430	
EBITDA Margin	29.3%	24.8%		28.2%	26.8%	
Other Income #	31	24		117	96	
Interest & Finance Charges	2	2		7	10	
Depreciation	98	82		368	333	
Profit Before Tax	339	276		1,123	1,183	
Tax	81	91		178	401	
PAT	257	185	39%	945	782	21%
PAT Margin	18.5%	13.6%		19.3%	14.7%	

Includes Investment Income and Unrealized Gain/(Loss)

Other Income and Net Forex Gain/(Loss)

Particulars (Rs. Cr)	Standalone			
	Q4FY20	Q4FY19	FY20	FY19
Exchange Difference Gain (Realized)	35	16	132	118
Exchange Difference Gain (Un-Realized)	-6	2	-0	10
Others	38	22	117	86
Total Other Income	66	40	249	214

Particulars (Rs. Cr)	Standalone			
	Q4FY20	Q4FY19	FY20	FY19
Foreign Exchange Fluctuation on Sales	32	3	115	91
Foreign Exchange Fluctuation on Others	3	13	17	27
Total Realised Gain/(Loss) – A	35	16	132	118
Foreign Exchange Fluctuation on Non Derivative Items	-6	2	-0	10
Total Unrealized Gain/(Loss) - B	-6	2	-0	10
Net Forex Gain/(Loss) = A + B	29	18	131	128

Balance Sheet

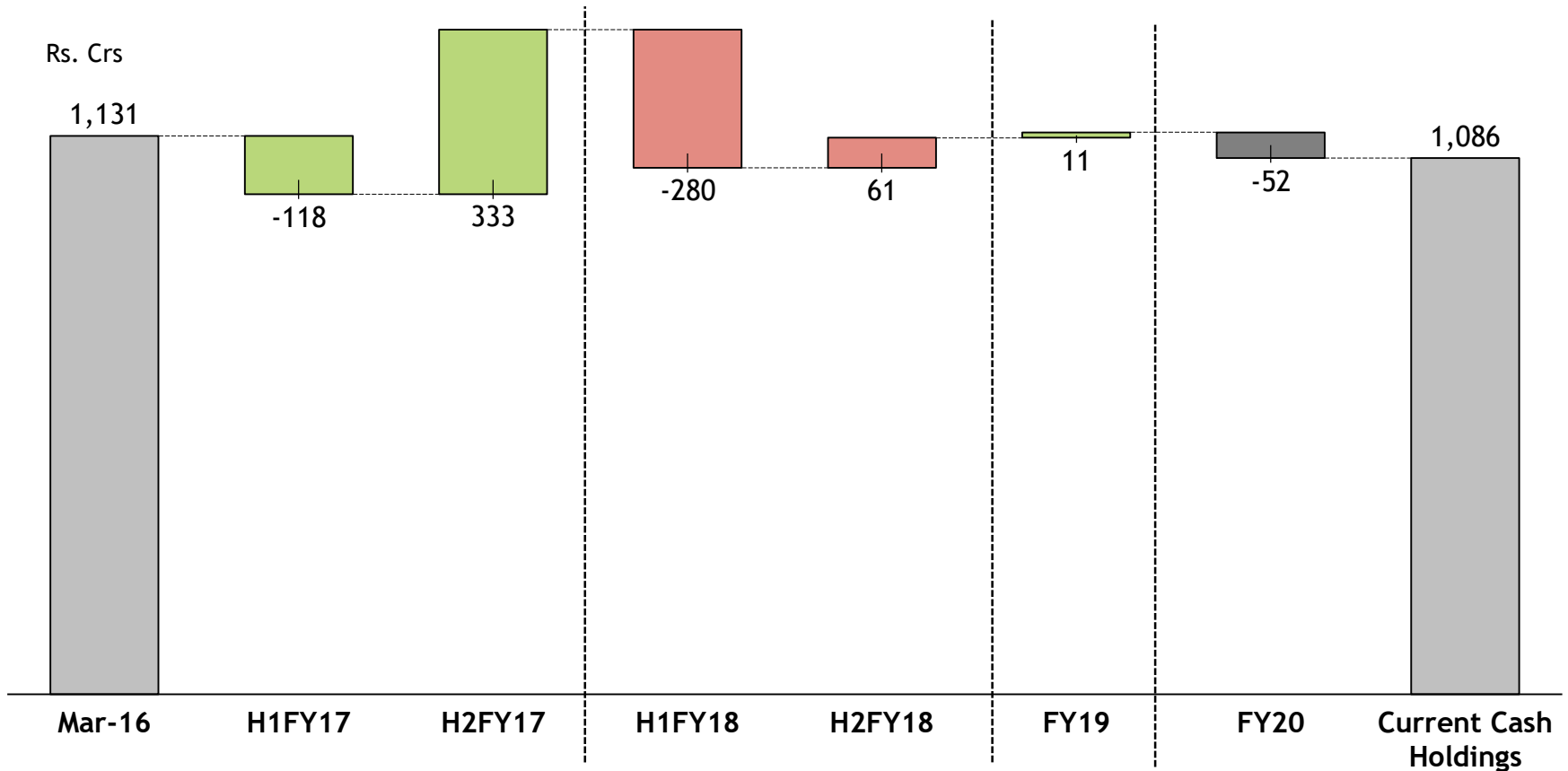
Particulars (Rs. Cr.)	Mar'20	Mar'19
ASSETS		
Non-current assets	4,854	3,994
Property, Plant and Equipment	3,189	2,707
Capital work-in-progress	586	585
Investment Property	86	77
Other Tangible Assets	1	2
Financial Assets		
(i) Investments	712	320
(ii) Other Financial Assets	13	10
Income Tax Assets (Net)	90	96
Other non-current assets	178	197
Current assets	1,877	2,435
Inventories	580	713
Financial Assets		
(i) Investments	351	763
(ii) Trade Receivables	649	568
(iii) Cash and cash equivalents	23	36
(iv) Bank Balances other than (iii) above	22	19
(v) Loans	4	5
(vi) Others	14	57
Other Current Assets	232	273
TOTAL	6,731	6,430

Particulars (Rs. Cr.)	Mar'20	Mar'19
EQUITY AND LIABILITIES		
EQUITY	5,028	4,679
Equity Share Capital	39	39
Other Equity	4,989	4,640
Non-Current Liabilities	476	369
Financial Liabilities		
(i) Borrowings	2	2
(i) Other Financial Liabilities	0	7
Provisions	24	17
Deferred Tax Liabilities (Net)	178	326
Other Non-Current Liabilities	34	16
Current liabilities	1,465	1,382
Financial Liabilities		
(i) Borrowings	859	827
(ii) Trade Payables	361	356
(iii) Other Financial Liabilities	165	56
Other Current Liabilities	75	135
Provisions	4	8
TOTAL	6,731	6,430

Cash Flow

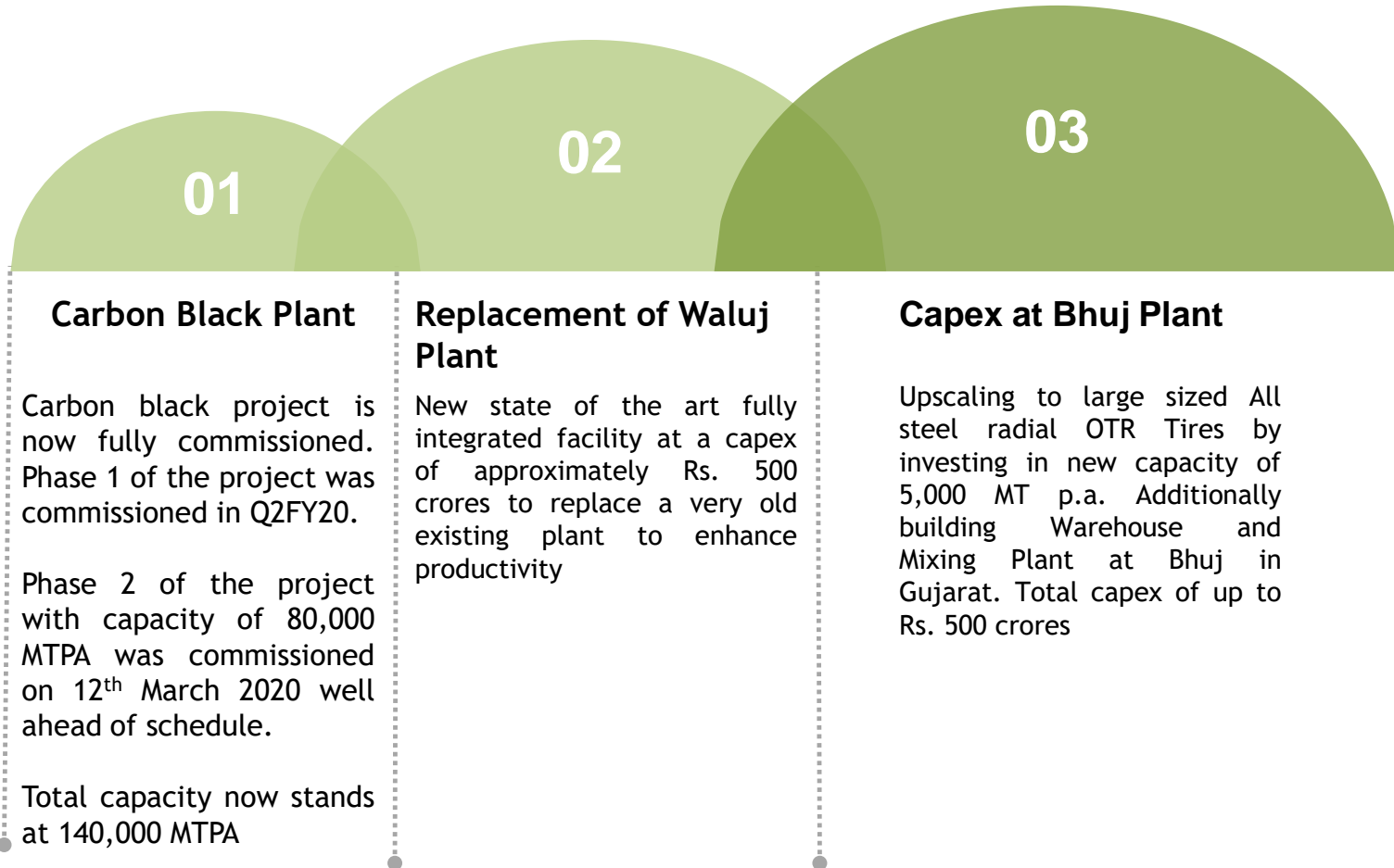
Particulars (Rs. Cr.)	FY20	FY19
Operating profit before working capital changes	1,402	1,438
Changes in working capital	57	-212
Cash generated from operations	1,459	1,227
Direct taxes paid (net of refund) and others	-295	-414
Net Cash from Operating Activities	1,164	813
Net Cash from Investing Activities	-656	-621
Net Cash from Financing Activities	-521	-173
Net Change in cash and cash equivalents	-13	19

Strong Balance Sheet with Zero Long Term Debt



In Current unprecedented times, a Strong Balance Sheet helps substantially reduce any impact

BKT 2.0: Continuing the next Phase of Growth



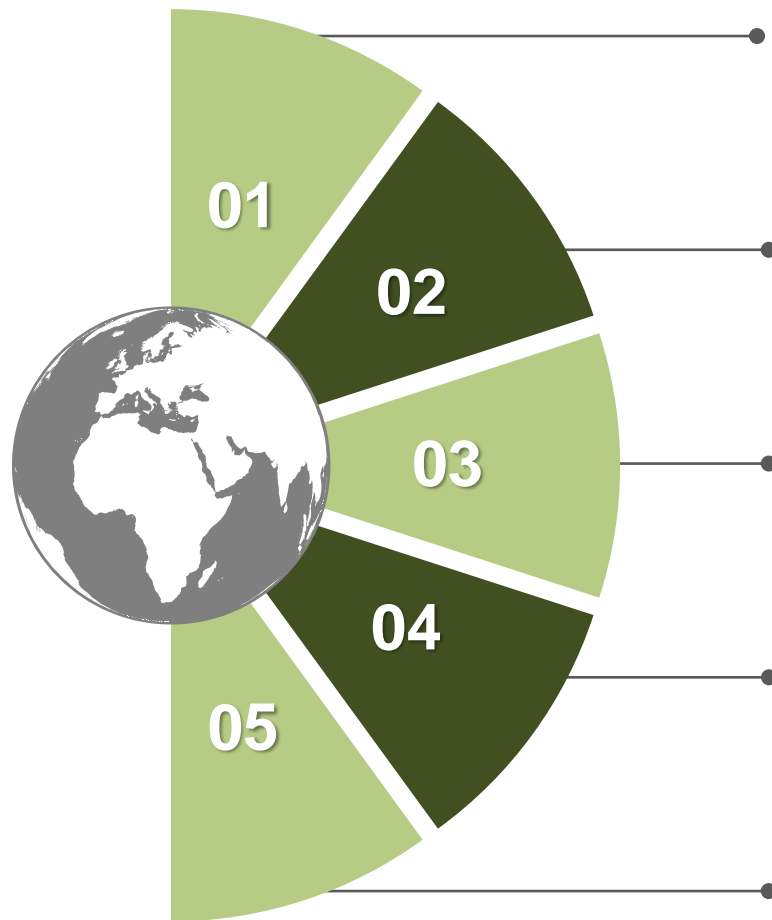
Capex programs of the company are broadly on track, however the completion will depend on the COVID-19 situation which is changing rapidly

Strategy at BKT



Snow Ride

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

'Atmanirbhar' BKT - Our Pledge

**FROM INDIA
FOR INDIA**

BE INDIAN... BUY INDIAN



VOCAL FOR LOCAL

BKT

GROWING TOGETHER



We pledge to fulfil the vision of self-reliance by continuing to manufacture in India for domestic consumption and global markets



Our focus will be on improving our product portfolio, sustaining the consistent product quality and efficient service levels, thus enhancing the brand recognition with end customers



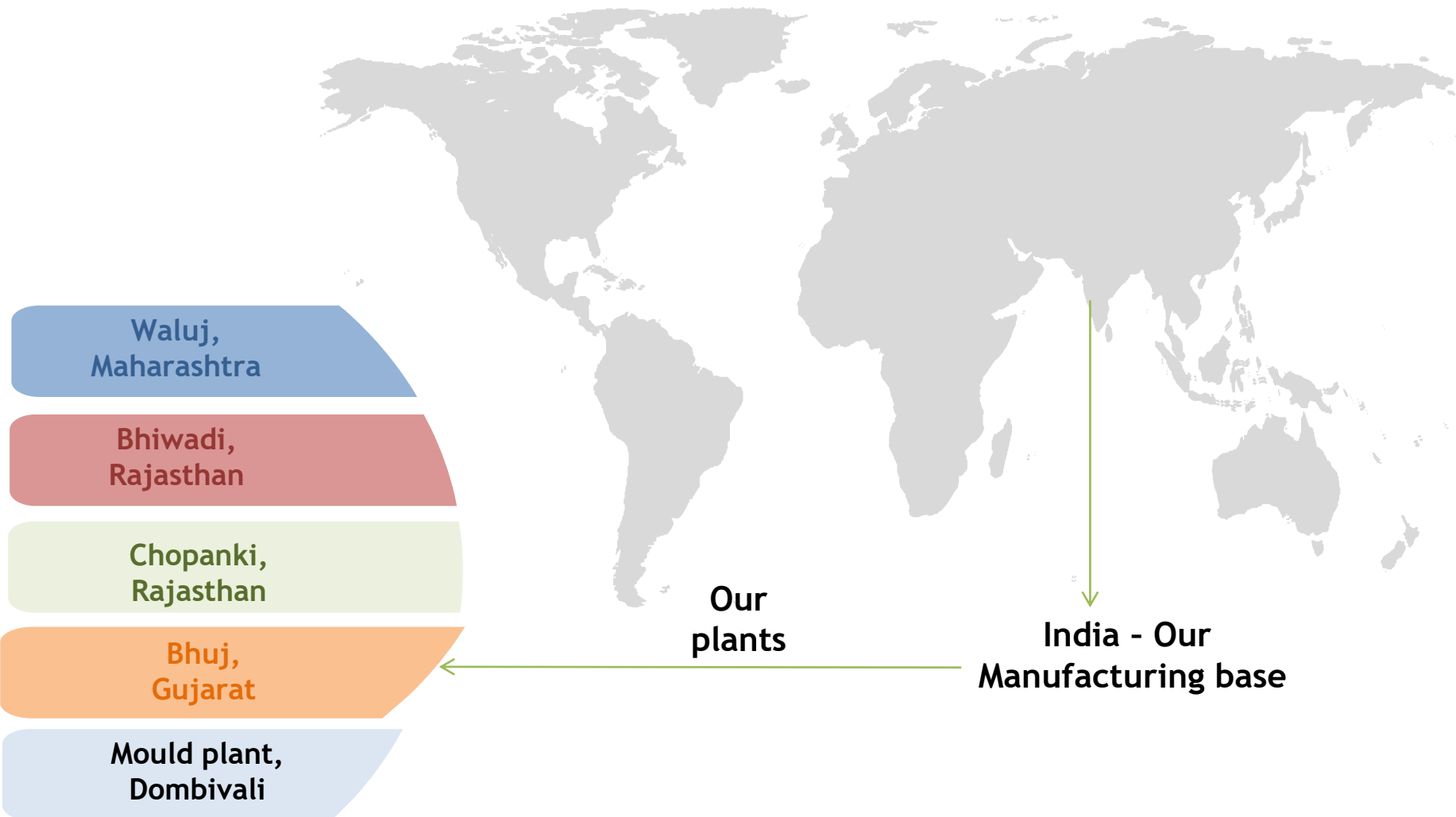
Make in India is going to provide an impetus to the self-reliant India serving the local and global markets thereby, enhancing the Brand equity of Indian Manufacturers

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

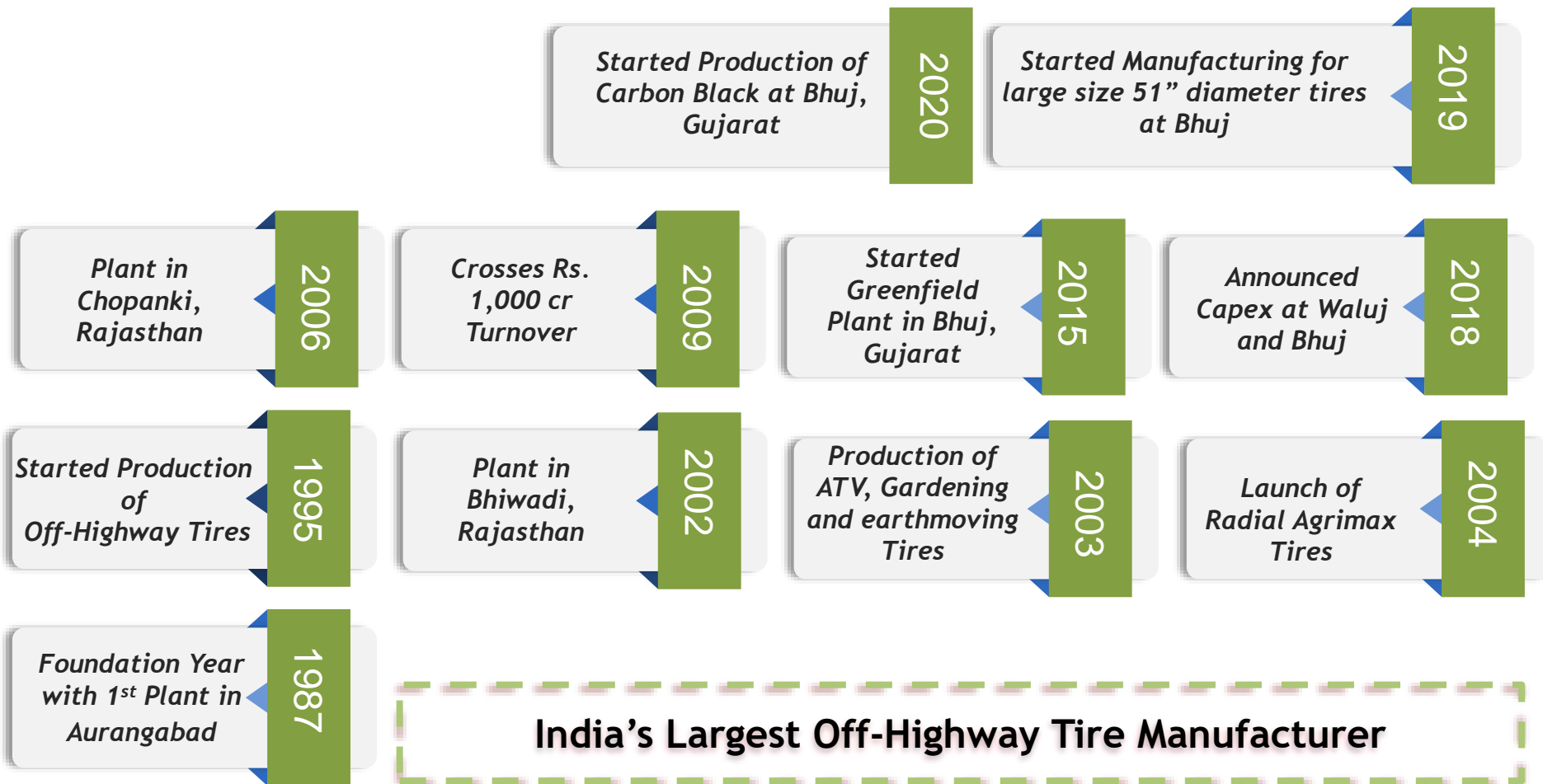


[Click here](#) for BKT Corporate Video

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 TNPL, SANKAR CEMENT, and other sponsors are visible at the bottom.

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

Strengthening BKT Brand : Sunny Deol our Brand Ambassador



Popular Bollywood Icon Sunny Deol is the Brand Ambassador of BKT

BKT stands for... Growing Together



[CSR Film](#): BKT supports Society in its bid to fight Covid-19



People are our most valuable asset.
#staysafe

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