

BALKRISHNA INDUSTRIES LTD

Investor Presentation

May '22



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Performance Snapshot – Q4FY22



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Declared Final Dividend of Rs. 4/- per equity share
Total Dividend for FY22 will be Rs. 28/- per equity share including special dividend of Rs. 12/- per equity share

All Figures on Standalone basis

Management Commentary



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The geo-political situation has aggravated supply chain problems. This has increased both the prices and availability of raw materials. Similarly, Logistics and freight costs have continued to remain at elevated levels

End user markets continue to remain strong inspite of inflationary trends. The OHT industry continues to see higher offtake on account of healthy demand across mining and agriculture markets; BKT brand is continuing to gain market share

The Board of Directors have decided keep the capex investment of Rs. 350cr announced at Old waluj Plant in November 2021, on hold. The operations at this plant will continue in order to have unhindered production and cater to the strong demand and quicker production schedule demanded by end customers

Sales Volume guidance for FY23 stands at 320,000 - 330,000 MT

Capex Status



Brownfield Tire Plant at Bhuj

- Commissioned the 50,000 MTPA brownfield tire plant at Bhuj
- Expect complete ramp-up in production in H2FY23
- Project Capex Cost - Rs. 800cr



Carbon Black and Captive Power Plant

- Expect commissioning for 55,000 MTPA Carbon Black capacity along with Power Plant in the next 2-3 months
- The Project of advanced carbon material for 30,000 MTPA will be commissioned in H2FY23
- Project Capex cost - Rs. 650cr

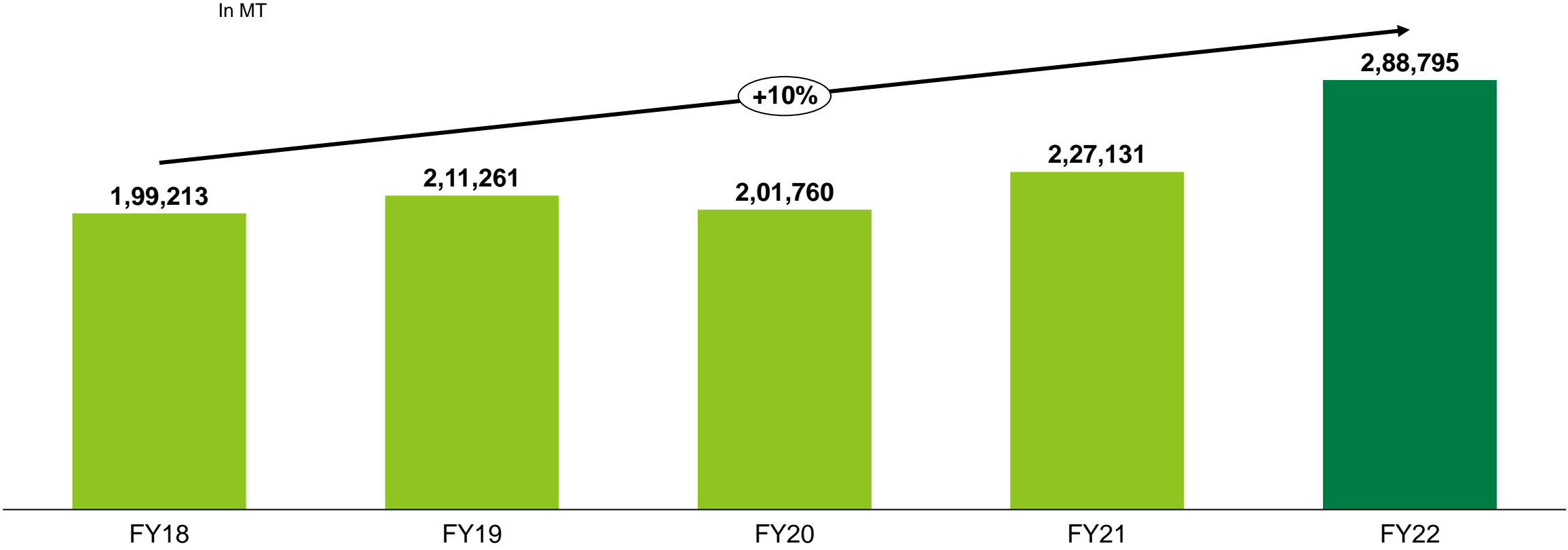


Modernization, Automation and Technology Upgradation

- Capex on Track
- Expect completion by end H1FY23
- Project Capex cost - Rs. 450cr

The achievable capacity by end of FY23 will be 360,000 MT p.a

Sales Volume Profile – FY22

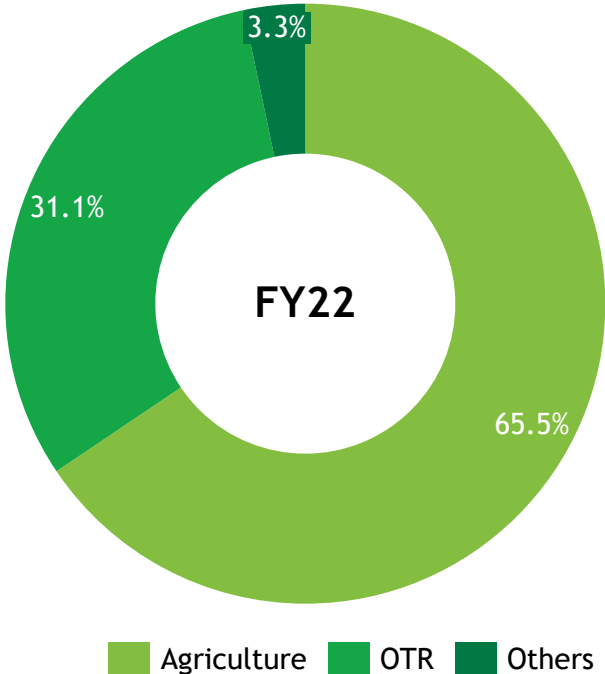


FY23 Guidance : 320,000 MT - 330,000 MT

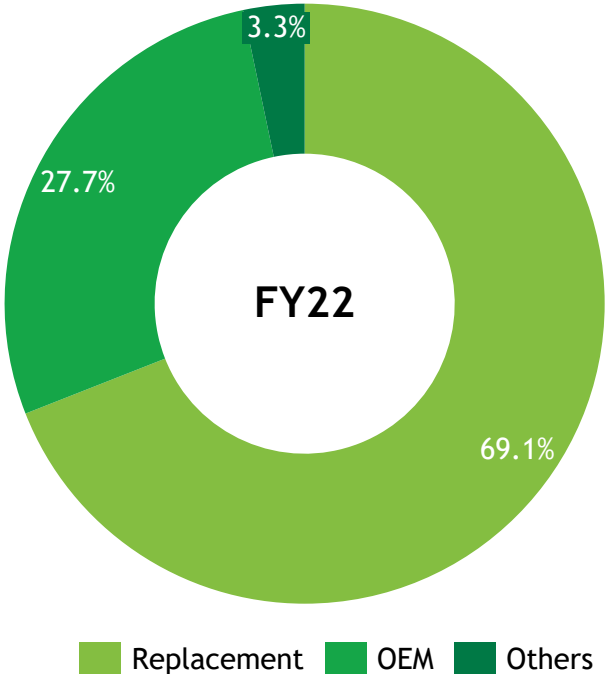
All Figures on Standalone basis

Volume Profile

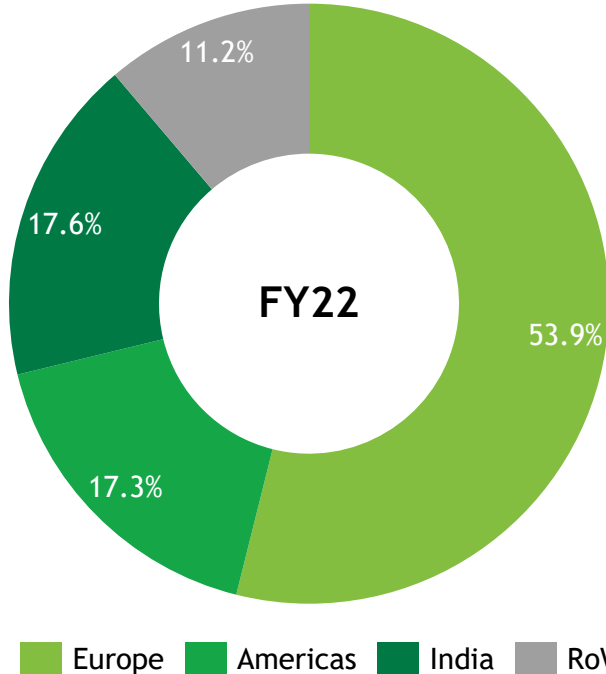
Segmental Sales



Channel Sales



Geographical Sales



All Figures on Standalone basis

Profit & Loss



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Particulars (Rs in Cr)	Q4FY22	Q4FY21	YoY	Q3FY22	FY22	FY21	YoY
Sales (MT)	77,119	68,003	13%	70,320	288,795	2,27,131	27%
Revenue from Operations	2,374	1,746		2,030	8,267	5,758	
Realized Gain on Forex	58	4		49	152	-18	
Total Income	2,432	1,750	39%	2,079	8,419	5,740	47%
Raw Material	1,144	776		1,015	4,034	2,452	
(Inc) / Dec in Stock	-42	-54		-49	-255	-149	
Employee Expenses	90	88		97	380	326	
Other Expenses	663	383		510	2,078	1,302	
EBITDA	576	558	3%	507	2,182	1,810	21%
EBITDA Margin	23.7%	31.9%		24.4%	25.9%	31.5%	
Other Income	52	20		31	185	119	
Unrealized Gain / (Loss)	-21	23		17	39	18	
Interest & Finance	2	2		2	8	10	
Depreciation	117	103		115	444	406	
Profit Before Tax	488	495	-1%	439	1,954	1,531	28%
Tax	115	122		110	544	376	
Profit After Tax	374	372	1%	329	1,411	1,155	22%
PAT Margin	15.4%	21.3%		15.8%	16.8%	20.1%	

All Figures on Standalone basis

Net Forex Gain/(Loss)

Particulars (Rs in Cr)	Q4FY22	Q4FY21	FY22	FY21
Foreign Exchange Fluctuation on Sales	58	4	152	-18
Foreign Exchange Fluctuation on Others	19	12	55	42
Total Realised Gain/(Loss) - A	77	16	207	24
Total Unrealized Gain/(Loss) - B	-21	23	39	18
Net Forex Gain/(Loss) = A + B	56	38	246	42

Balance Sheet



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Particulars (Rs. Cr.)	Mar'22	Mar'21
ASSETS		
Non-current assets	7,054	5,652
Property, Plant and Equipment	3,906	3,247
Capital work-in-progress	1,258	856
Investment Property	79	86
Other Tangible Assets	0	1
Financial Assets		
(i) Investments	1,213	1,026
(ii) Other Financial Assets	83	18
Income Tax Assets (Net)	8	70
Other non-current assets	506	348
Current assets	3,803	2,389
Inventories	1,639	909
Financial Assets		
(i) Investments	685	392
(ii) Trade Receivables	1,098	730
(iii) Cash and cash equivalents	29	34
(iv) Bank Balances other than (iii) above	6	20
(v) Loans	3	4
(vi) Others	65	35
Other Current Assets	277	264
TOTAL	10,857	8,040

Particulars (Rs. Cr.)	Mar'22	Mar'21
EQUITY AND LIABILITIES		
EQUITY	6,925	6,007
Equity Share Capital	39	39
Other Equity	6,886	5,969
Non-Current Liabilities	807	262
Financial Liabilities		
(i) Borrowings	501	1
(i) Other Financial Liabilities	0	0
Provisions	24	25
Deferred Tax Liabilities (Net)	251	204
Other Non-Current Liabilities	31	33
Current liabilities	3,126	1,771
Financial Liabilities		
(i) Borrowings	1,942	893
(ii) Trade Payables	808	633
(iii) Other Financial Liabilities	120	74
Other Current Liabilities	251	165
Provisions	4	5
TOTAL	10,857	8,040

All Figures on Standalone basis

Cash Flow

Particulars (Rs. Cr.)	FY22	FY21
Operating profit before working capital changes	2,163	1,789
Changes in working capital	-825	-77
Cash generated from operations	1,339	1,712
Direct taxes paid (net of refund) and others	-457	-349
Net Cash from Operating Activities	881	1,363
Net Cash from Investing Activities	-1889	-1,159
Net Cash from Financing Activities	1,003	-194
Net Change in cash and cash equivalents	-5	10

Resilient Business Model



Net Cash on Long Term Borrowings

Gross Cash and Cash equivalents of Rs. 1,932 Cr as on 31st March, 2022



Diversified Product Portfolio, spread across Agriculture, Industrial, Construction, Earthmoving, Mining, Port, Lawn and Garden and ATV tires



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



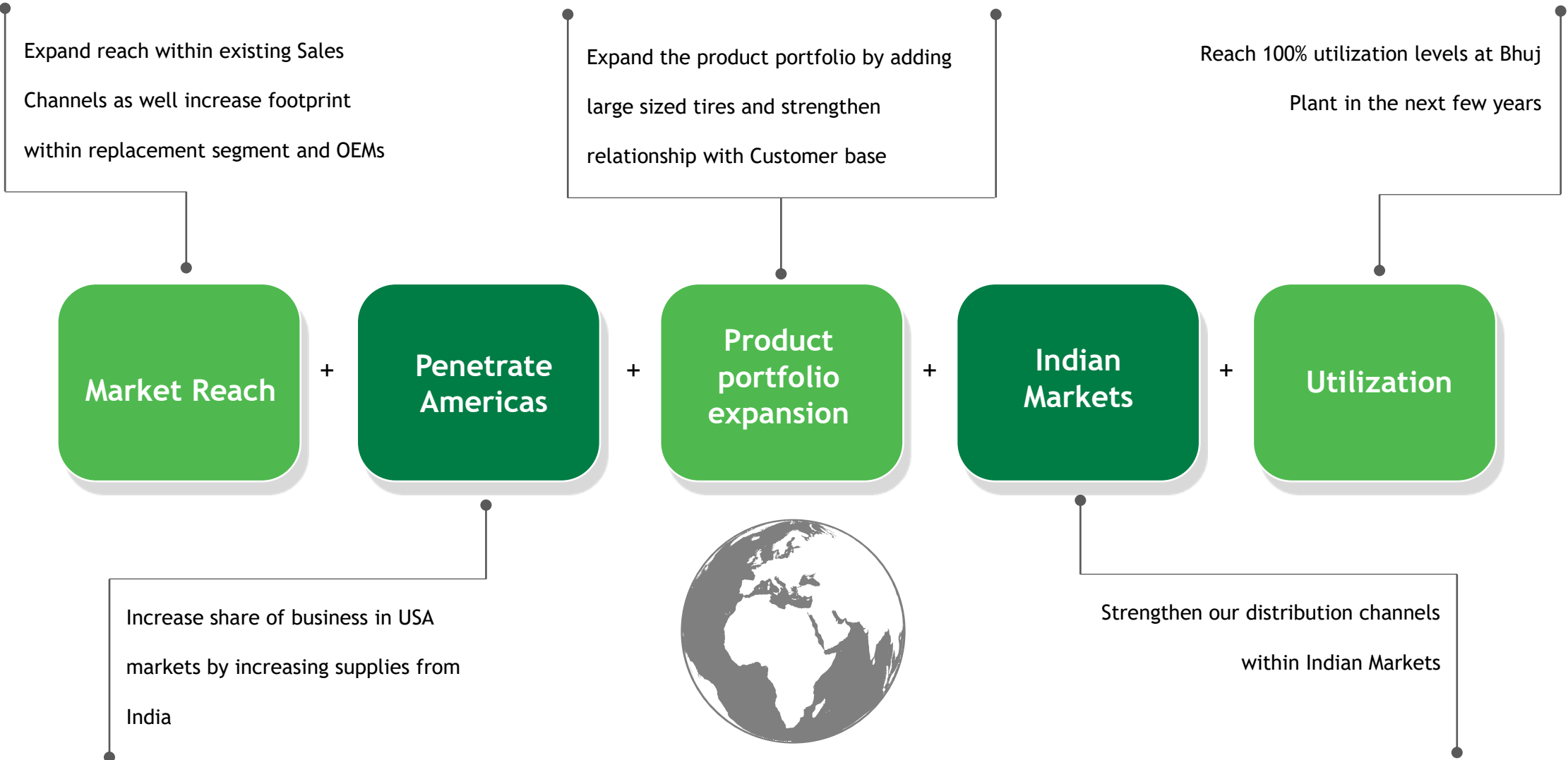
Ongoing Capex

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

Strategy at BKT



Our Focus Area



To Serve Global OEMs...



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With India Production and Global Sales



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Waluj,
Maharashtra

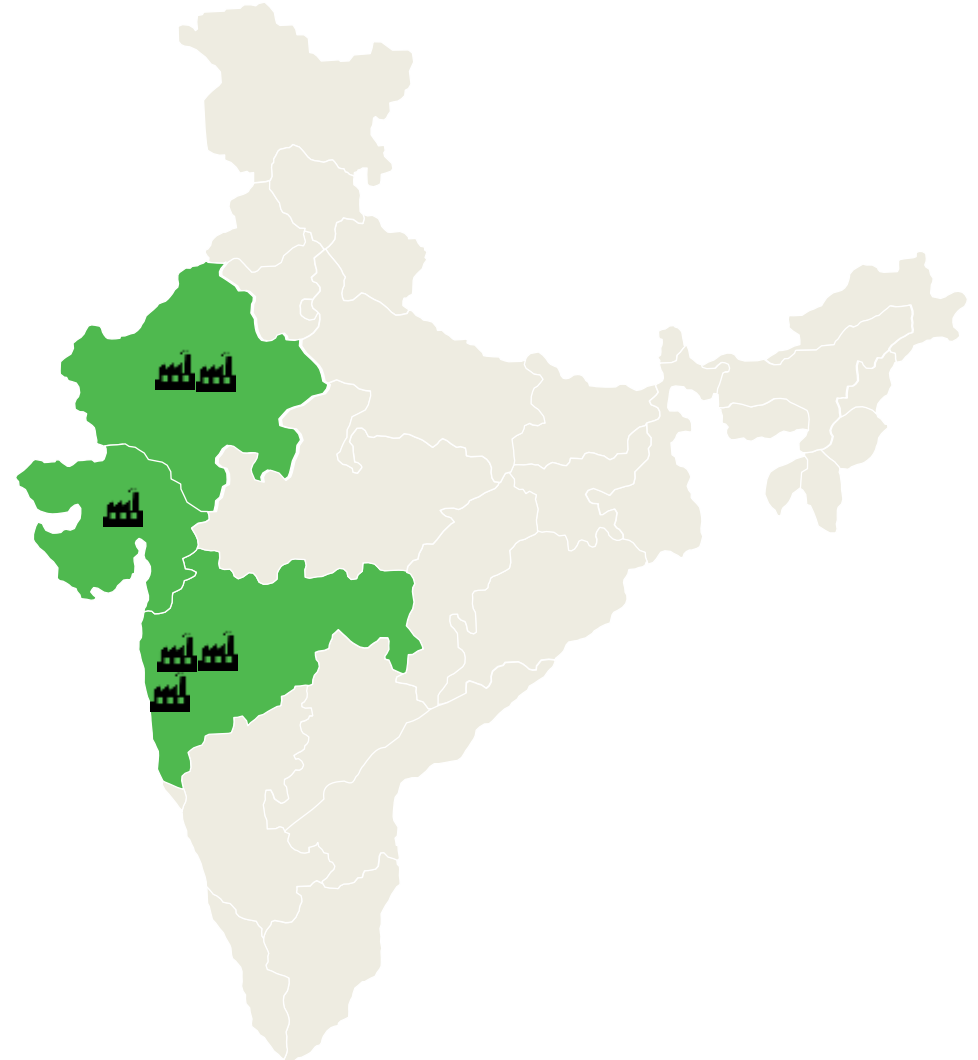
Bhiwadi,
Rajasthan

Chopanki,
Rajasthan

Bhuj,
Gujarat

Mould plant,
Dombivali

India
Our Manufacturing base



Note – Maps not to scale. All data, information, and maps are provided “as is” without warranty or any representation of accuracy, timeliness or completeness

Balkrishna Industries – A Snapshot

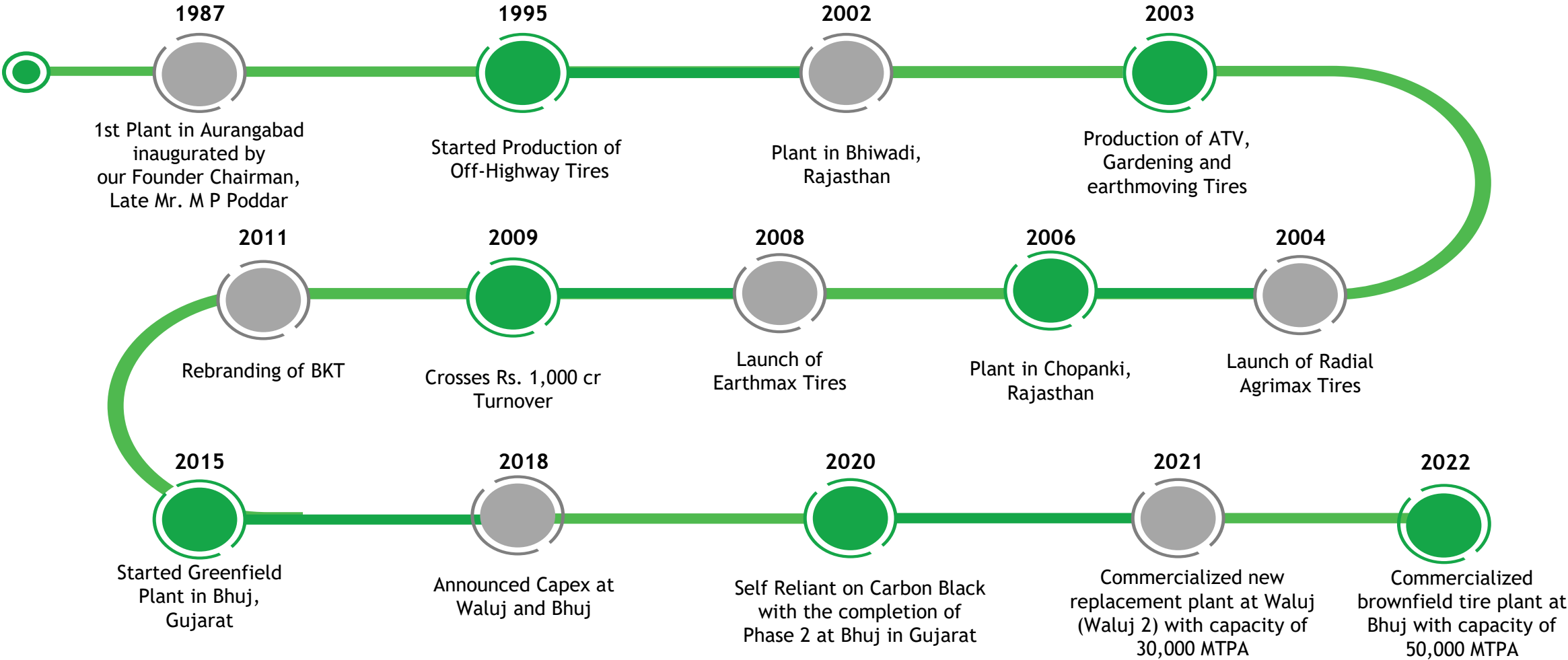


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- 01** **Leading ‘Off-Highway Tire’ Exporter**
BKT is India’s Leading player in the Global ‘Off Highway Tire (OHT)’ Market
- 02** **Wide and comprehensive product portfolio**
Deep understanding of OHT market has led to capabilities to manufacture over 2,700 SKUs
- 03** **Capacities**
Achievable Capacity at end of FY23 will be 360,000 M.T.P.A.
- 04** **Global reach**
Sales to over 160 countries through Distribution network in Americas, Europe, India and Rest of the World
- 05** **Strong OEM Presence**
Strong Partnerships with Global OEM’s a testimony of our Brand Acceptance & Performance
- 06** **Experienced Management Team**
Experienced Management Teams across business divisions and verticals

Our Strong Evolution



India's Largest Off-Highway Tire Manufacturer

- ✓ Part of electricity needs of the North India plants are being met by green energy generated through our own wind and solar projects
- ✓ In Bhuj, the Company's largest production site, the company has
 - ✓ Planted over 100,000 trees
 - ✓ Created two large water reservoirs and
 - ✓ Set up a co-generation plant for self-efficiency



'Sustainable Business Operations' is core to our Business ethos

BKT – A Strong Global Brand from INDIA



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Strengthening BKT Brand : Americas



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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



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

Strengthening BKT Brand: Spain



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

Strengthening BKT Brand: Italy



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

Strengthening BKT Brand: France, Europe



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BKT is the Sponsor for the “LIGUE de Football Professionel (LFP)” in France

Strengthening BKT Brand: France, Europe



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BKT Is Official Tire Supplier for Rugby World Cup France 2023

Strengthening BKT Brand : EUROPE



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Premium Partner of EUROLEAGUE BASKETBALL

Strengthening BKT Brand : Tractor of the year (TotY) - EUROPE



SPONSORED BY



Team of 26 expert journalists in agricultural mechanization, assign the Tractor of the Year (TotY) award to the 'Best European Tractor'

Strengthening BKT Brand : Australia



KFC

BBL

BKT
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OFFICIAL OFF-HIGHWAY
TIRE PARTNER OF THE KFC BBL

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

Strengthening BKT Brand : India



Official Partner of Teams in the Cricket T20 League for Season 14

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Strengthening BKT Brand : India



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Partnership with Teams in the Indian Football League

Strengthening BKT Brand : India



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Ranveer Singh is now the Brand Ambassador of BKT



Thank You

Company



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