



BALKRISHNA INDUSTRIES LTD

Investor Presentation - November 2020

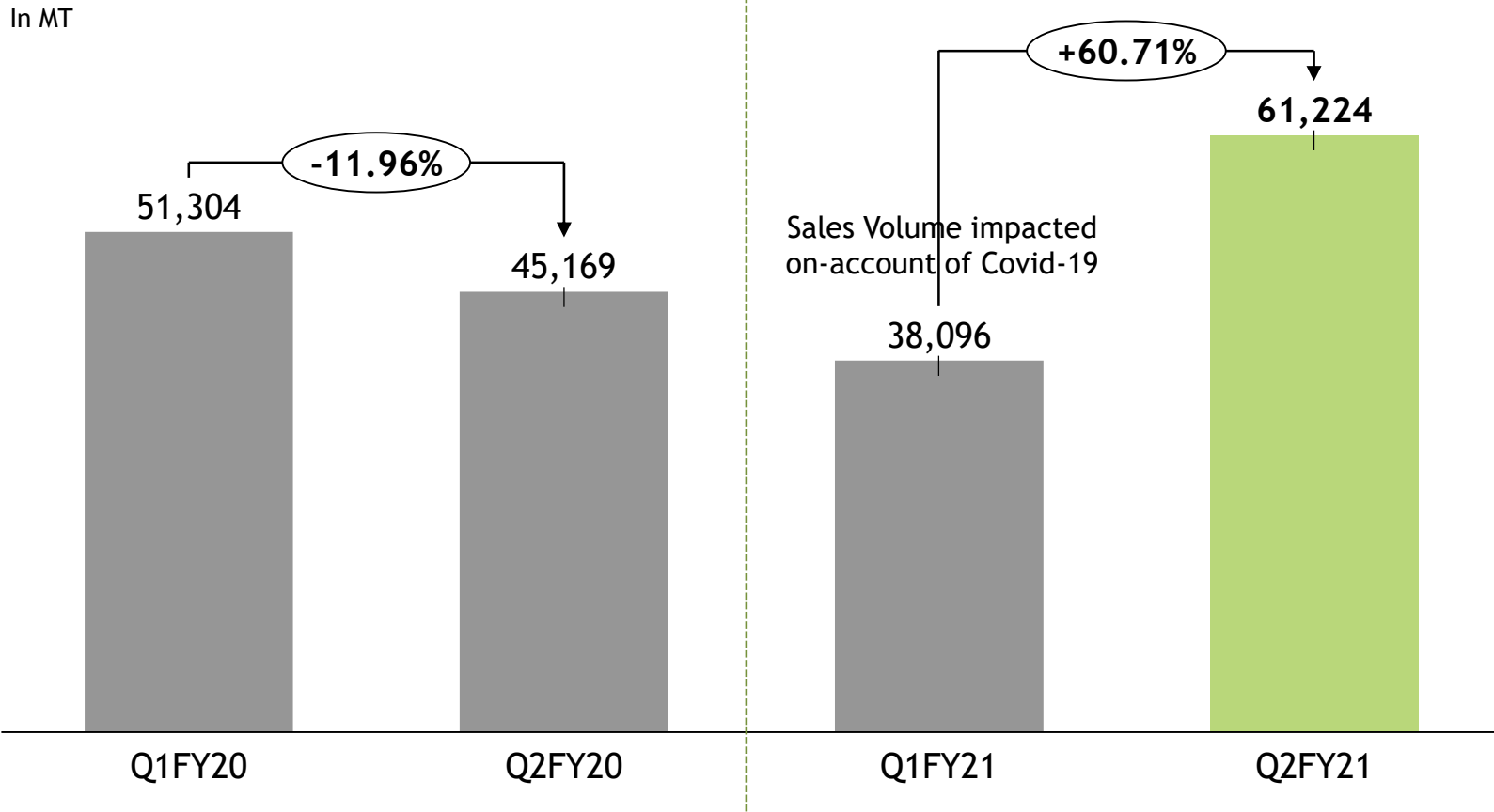
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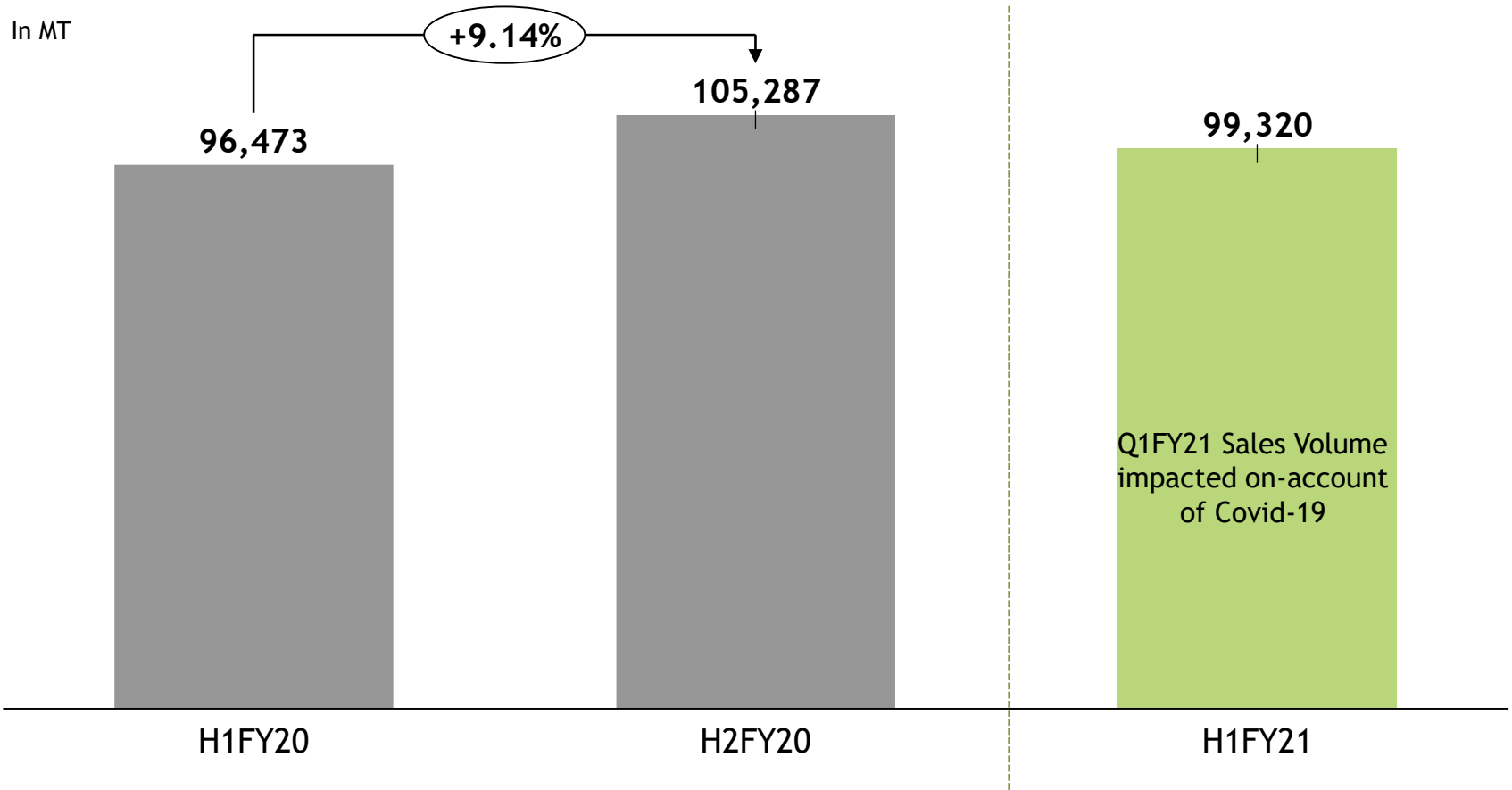
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Strong Recovery in Sales Volumes



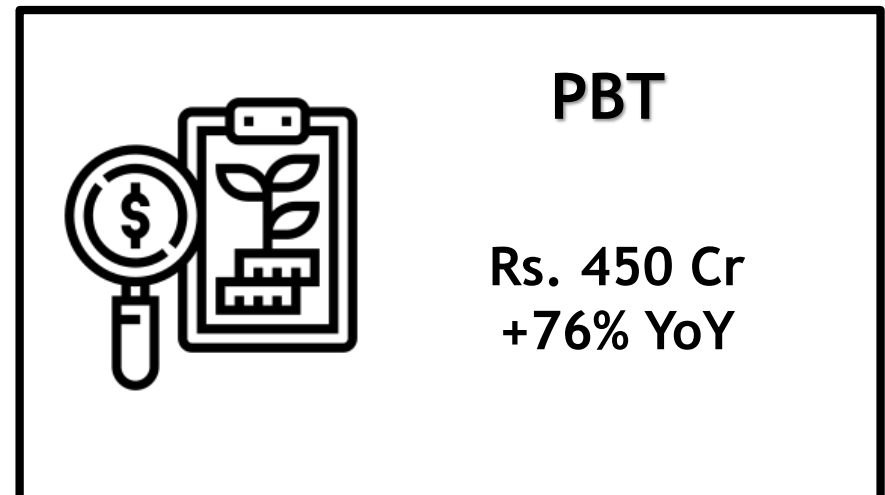
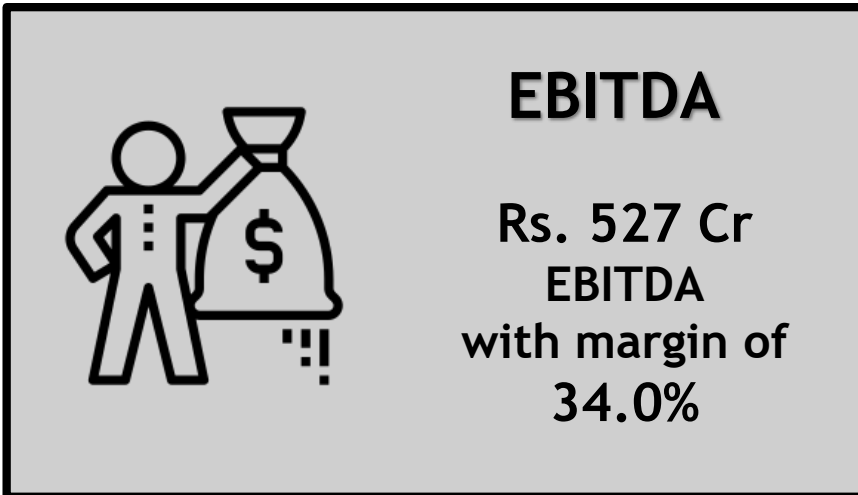
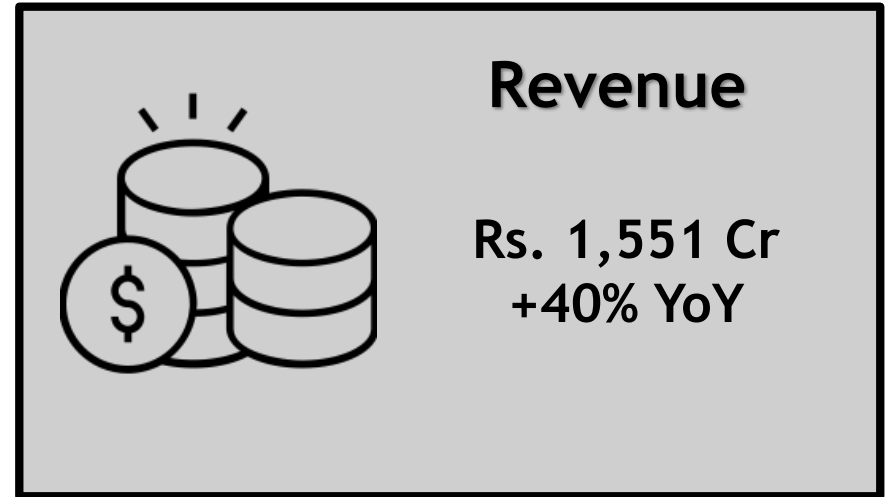
Reported Highest ever Quarterly Sales Volume in Q2FY21

Improving trend in Sales Volume...continues



Despite covid-19 impact in Q1FY21, H1FY21 witnessed growth over H1FY20

Performance Snapshot - Q2FY21



Board of Directors have declared a 2nd Interim Dividend of Rs. 4/- per equity share

Management Commentary

01

The demand continues to be strong in Agriculture segment across Geographies. In the other segments, demand continues to remain stable

02

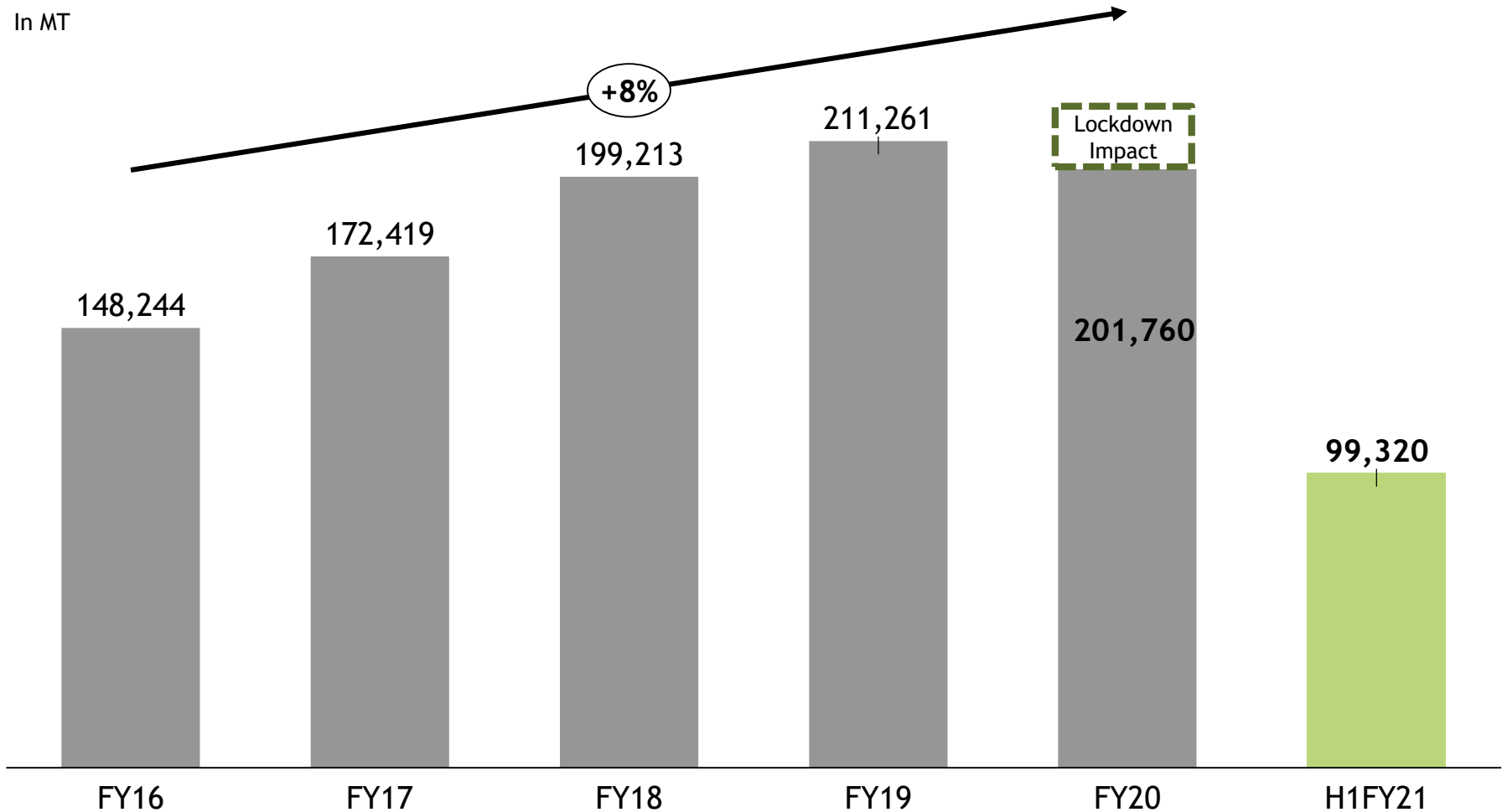
Our diversified products portfolio, strong presence across the globe, multiple sourcing bases of raw materials and strong balance sheet with no long-term Debt makes our Company resilient to face any challenges and to maintain competitive edge in the global market

03

With the volume of 99,320 MT achieved in first half, we expect to cross FY20 sales volumes in FY21, marginally subject to no further deterioration due to COVID 19

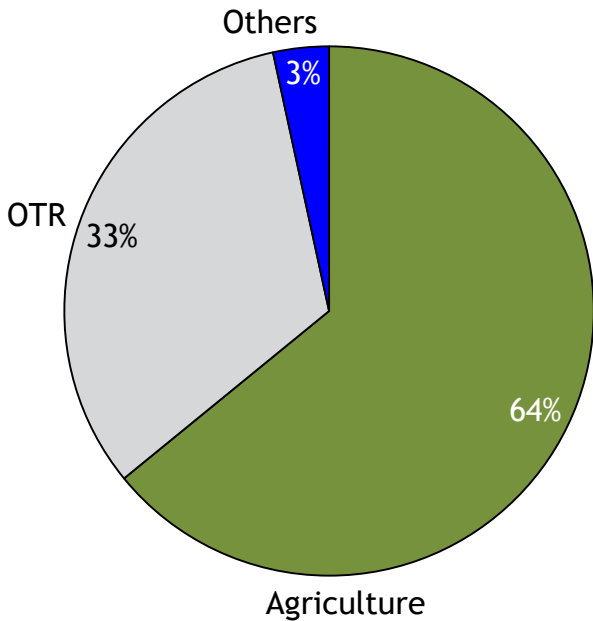
Sales Volume Profile - H1FY21

In MT

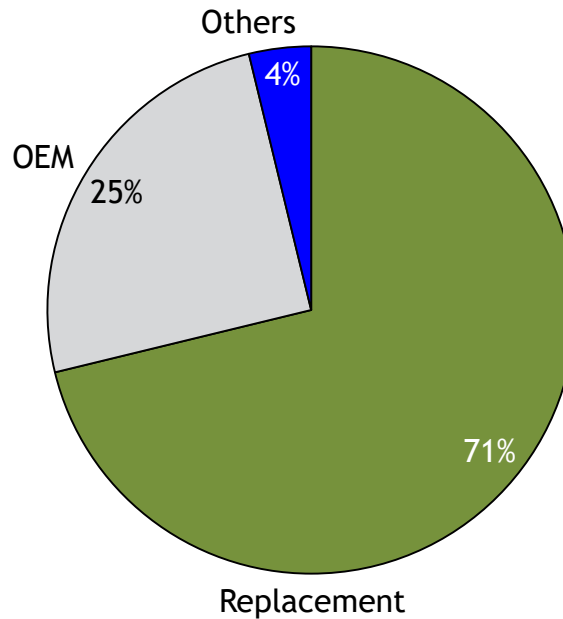


Volume Profile - H1FY21

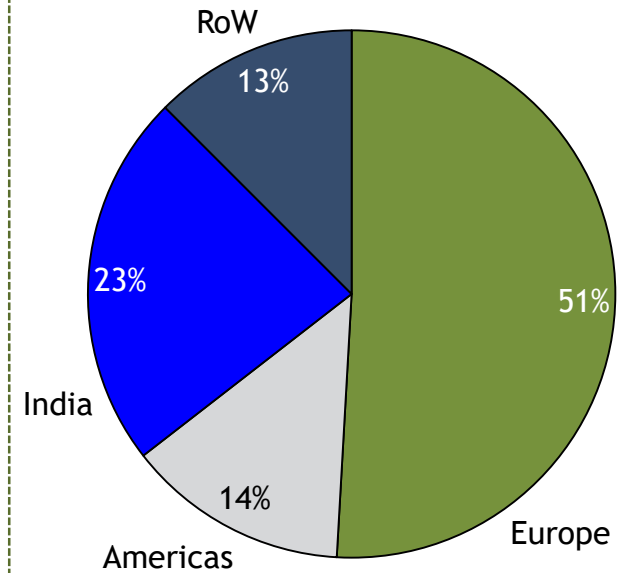
Segmental Sales



Channel Sales



Geographical Sales



Profit & Loss

Particulars (Rs.Cr)	Standalone						
	Q2FY21	Q2FY20	Growth	H1FY21	H1FY20	Growth	FY20
Sales (MT)	61,224	45,169	36%	99,230	96,473	3%	201,760
Revenue from Operations	1,579	1,071		2,507	2,265		4,782
Realized Gain on Foreign Exchange	-27	36		-14	60		115
Total Income	1,551	1,107	40%	2,493	2,325	7%	4,898
Raw Material	614	507		1,034	1,059		2,078
(Increase) / Decrease in Stock	-3	-39		-56	-16		49
Employee Expenses	84	70		155	140		286
Other Expenses	328	261		582	538		1,104
EBITDA	527	309	71%	779	604	29%	1,381
EBITDA Margin	34.0%	27.9%		31.2%	26.0%		28.2%
Other Income #	28	40		40	83		117
Interest & Finance Charges	3	2		6	4		7
Depreciation	101	91		201	175		368
Profit Before Tax	450	256	76%	612	509	20%	1,123
Tax	111	-35		151	42		178
PAT	339	291	16%	461	467	-1%	945
PAT Margin	21.9%	26.3%		18.5%	20.1%		19.3%

Includes Investment Income and Unrealized Gain/(Loss)

Other Income and Net Forex Gain/(Loss)

Particulars (Rs. Cr)	Standalone			
	Q2FY21	Q2FY20	H1FY21	H1FY20
Exchange Difference Gain (Realized)	-14	41	8	69
Exchange Difference Gain (Un-Realized)	10	14	-19	28
Others	18	26	59	55
Total Other Income	14	81	47	152

Particulars (Rs. Cr)	Standalone			
	Q2FY21	Q2FY20	H1FY21	H1FY20
Foreign Exchange Fluctuation on Sales	-27	36	-14	60
Foreign Exchange Fluctuation on Others	14	5	22	9
Total Realised Gain/(Loss) – A	-14	41	8	69
Total Unrealized Gain/(Loss) - B	10	14	-19	28
Net Forex Gain/(Loss) = A + B	-4	55	11	97

Balance Sheet

Particulars (Rs. Cr.)	Sep'20	Mar'20
ASSETS		
Non-current assets	5,118	4,854
Property, Plant and Equipment	3,186	3,189
Capital work-in-progress	666	586
Investment Property	85	86
Other Tangible Assets	1	2
Financial Assets		
(i) Investments	837	712
(ii) Other Financial Assets	12	13
Income Tax Assets (Net)	80	90
Other non-current assets	251	177
Current assets	2,100	1,877
Inventories	761	580
Financial Assets		
(i) Investments	410	351
(ii) Trade Receivables	672	649
(iii) Cash and cash equivalents	30	23
(iv) Bank Balances other than (iii) above	23	22
(v) Loans	4	4
(vi) Others	35	14
Other Current Assets	167	232
TOTAL	7,218	6,731

Particulars (Rs. Cr.)	Sep'20	Mar'19
EQUITY AND LIABILITIES		
EQUITY	5,429	5,028
Equity Share Capital	39	39
Other Equity	5,390	4,989
Non-Current Liabilities	251	238
Financial Liabilities		
(i) Borrowings	1	2
(i) Other Financial Liabilities	0	0
Provisions	26	24
Deferred Tax Liabilities (Net)	174	178
Other Non-Current Liabilities	49	34
Current liabilities	1,539	1,465
Financial Liabilities		
(i) Borrowings	815	859
(ii) Trade Payables	387	361
(iii) Other Financial Liabilities	136	165
Other Current Liabilities	195	75
Provisions	6	4
TOTAL	7,218	6,731

Cash Flow

Particulars (Rs. Cr.)	H1FY21	FY20
Operating profit before working capital changes	792	1,402
Changes in working capital	20	57
Cash generated from operations	812	1,459
Direct taxes paid (net of refund) and others	149	-295
Net Cash from Operating Activities	663	1,164
Net Cash from Investing Activities	-524	-656
Net Cash from Financing Activities	-132	-521
Net Change in cash and cash equivalents	7	-13

Strong Balance Sheet performance in FY18 to FY20... Future Ready

Cash Accruals of Rs.
3,500cr

Distributed Dividend of
over Rs. 800cr

Capex Spends to the tune of
Rs.2,000cr from Internal
Accruals

Net Cash company

Repaid Debt undertaken
for Capex in Bhuj

Cash and Cash equivalents
of Rs. 1,086cr



**FY18
to
FY20
Balance
Sheet**

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

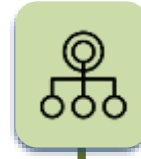
Resilient Business Model



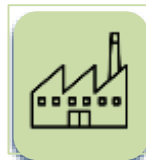
Long Term Debt Free with Cash and Cash equivalents of Rs. 1,299 crs as on 30th September 2020



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



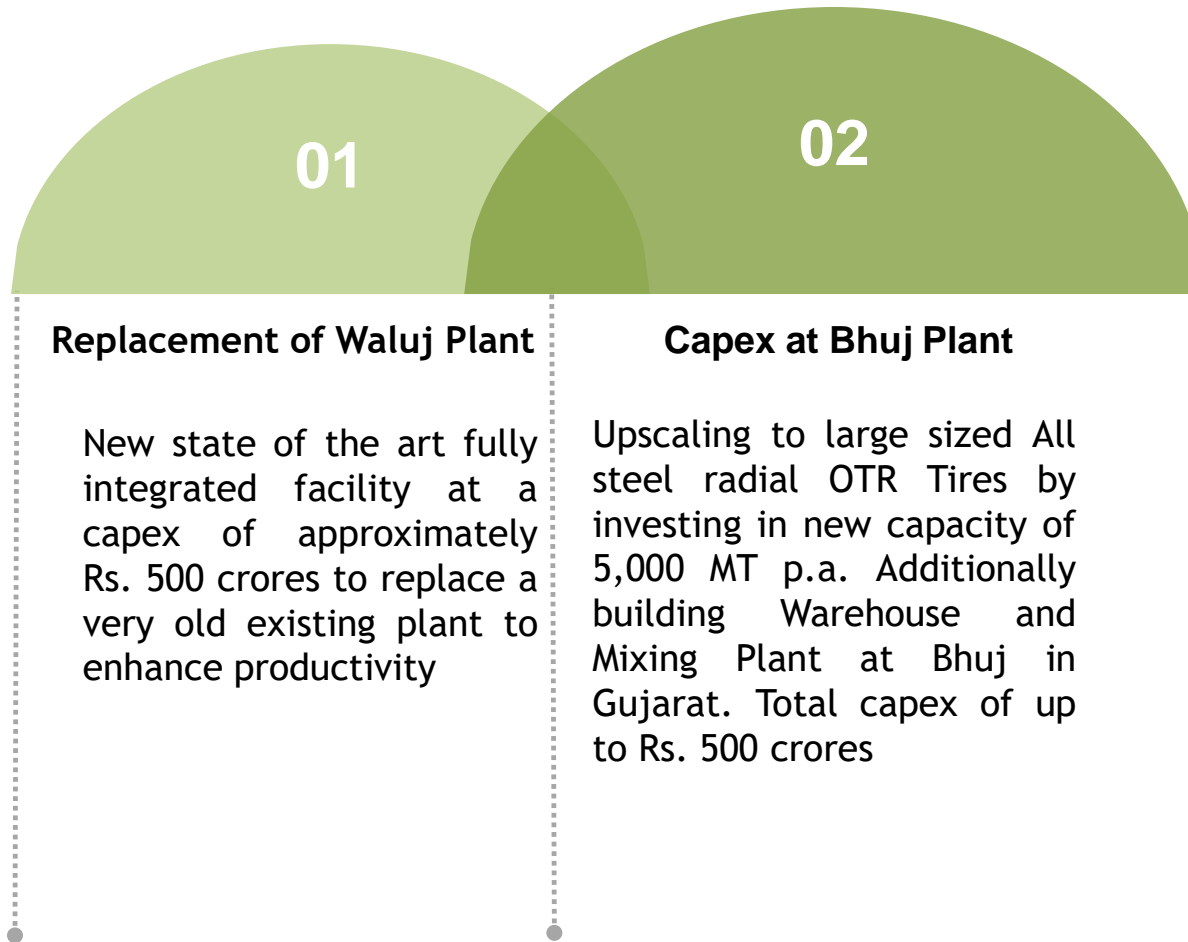
Self Reliant in Carbon Black along with Multiple sourcing arrangements for other Raw Materials



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

BKT 2.0: Continuing the next Phase of Growth



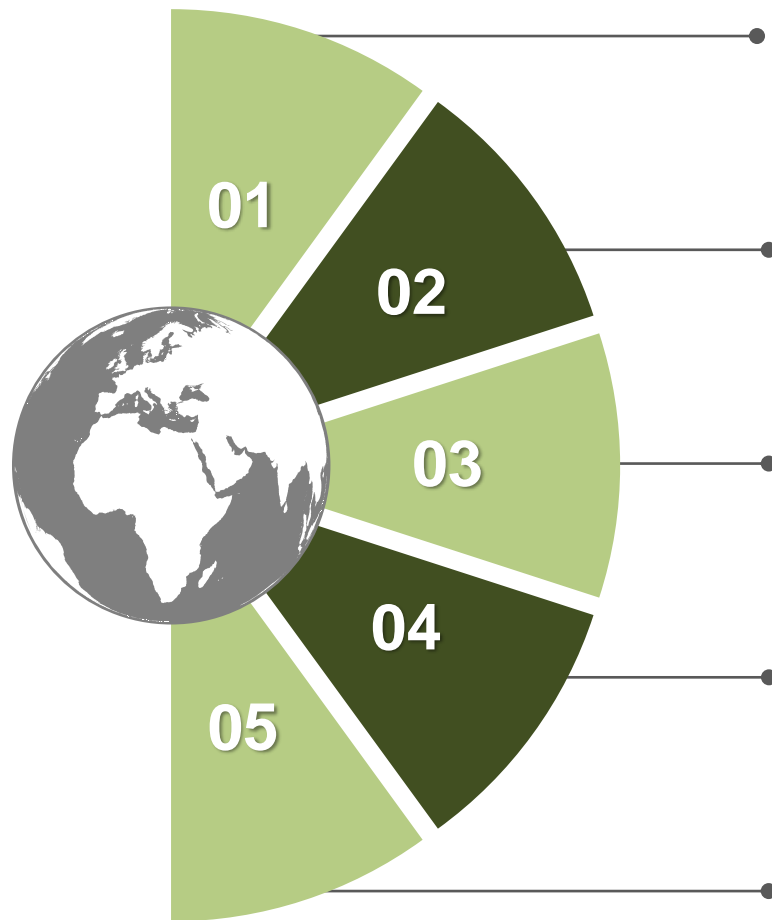
Capex programs of the company are broadly on track, however the completion will depend on the COVID-19 situation which is changing rapidly

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



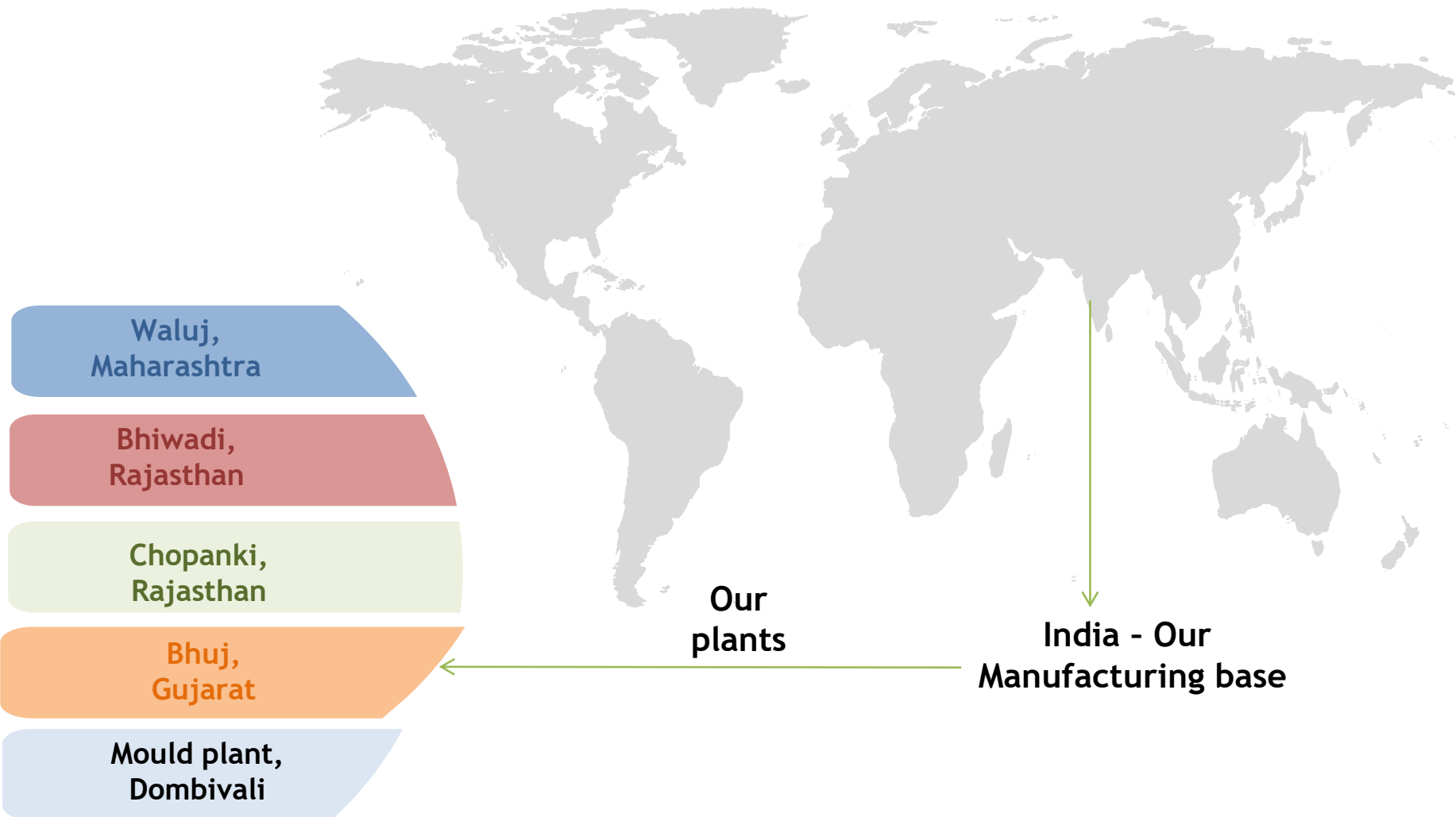
Make in India is going to provide an impetus to the self-reliant India serving the local and global markets thereby, enhancing the Brand equity of Indian Manufacturers

To Serve Global OEMs...



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

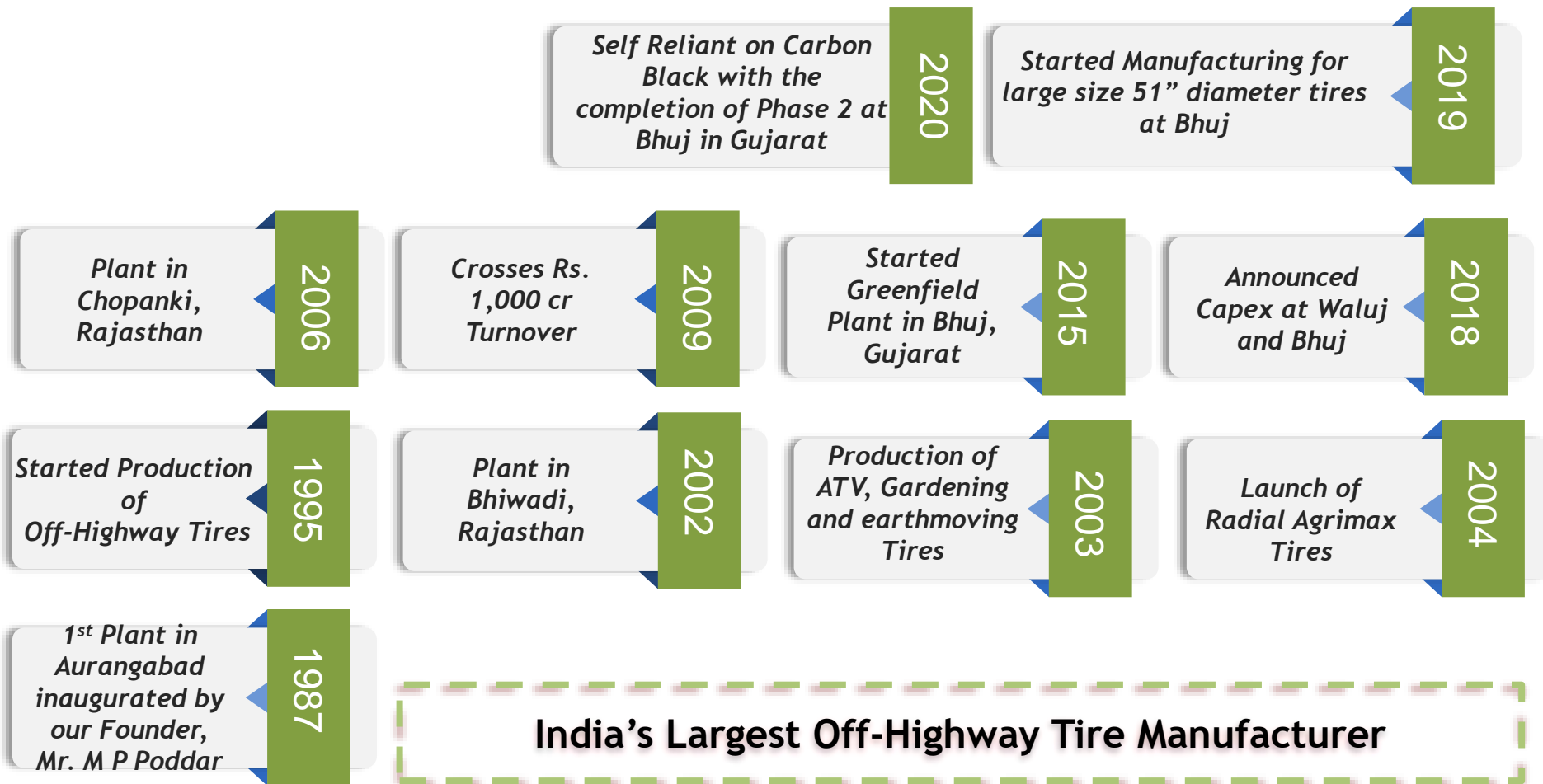
With India Production and Global Sales



Balkrishna Industries - A Snapshot



Our Strong Evolution



BKT... at the forefront of Sustainability



- 50% of the production plants' electricity needs in North India have been met by green energy generated in our own wind park since 2004
- In Bhuj, the Company's largest production site, the company has
 - Planted ~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

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

BKT - A Strong Global Brand from INDIA



Strengthening BKT Brand : Americas



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 was the TITLE Sponsor for the FRENCH Football League “COUPE DE LA LIGUE BKT”. The Competition has been abolished in 2020 and BKT will now be associated with “LIGUE de Football Professionel (LFP)” in France

Strengthening BKT Brand : France, Europe



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

Strengthening BKT Brand : Europe



Premium Partner of EUROLEAGUE BASKETBALL

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



SPONSORED BY



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

Strengthening BKT Brand : Australia



**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

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 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

Acting Together... Doing our Part

Protecting Employees



At plants

Standard Operating Procedures (SOP) introduced to support partial re-opening and safe working environment.

Sanitization of all work places including transportation vehicles



At Offices

Standard Operating Procedures (SOP) introduced to support partial re-opening and safe working environment

Supporting Communities



60,000+ food grains packages which would suffice a family of 4 for 15 days distributed in various regions of India



5 lacs+ meals distributed in India in collaboration with NGO Akshaya Patra and other organizations



4 lacs+ masks distributed under the #BKTTakeAStepChallenge project



3,000+ counter shields distributed to tire dealers



Support for the NGOs CESVI in Italy and Samaritan's Purse in the USA

Supporting Medical staff



55,000+ personal protection equipment (PPE) distributed to medical staff



12 hemodynamic monitors donated to the Tata Memorial Hospital in Mumbai



15,000+ Doctor Scrub Suits distributed to various hospitals



1 lac+ disposable bed sheets distributed to various hospitals



For further information, please contact:

Company :

Investor Relations Advisors :



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Mr. M S Bajaj - President Commercial & CFO

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