



# BALKRISHNA INDUSTRIES LTD

Investor Presentation  
August, 2018



# Safe Harbor

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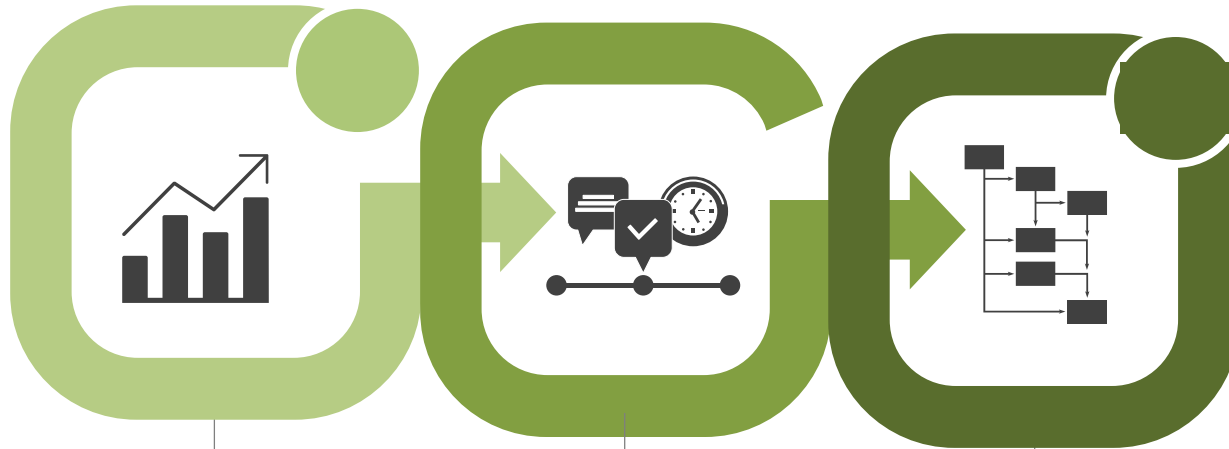
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## Our Performance



# Carbon Black Capex: Increase in Project size



## Increase in Project size

Increasing the Carbon Black Project from initial plan of 60,000 MT p.a. to 140,000 MT p.a. at Bhuj in Gujarat

## Timelines

Phase 1 - 60,000 MT p.a. to be completed by end of FY19  
Phase 2 - additional 80,000 MT p.a. to be completed by end of FY21

## Capex Amount

The Total Capex for 140,000 MT p.a. will be Rs. 425 Cr

**To become self sufficient in Carbon Black requirements**

# Performance Snapshot

Quarterly Volume at 56,754 MT, a growth of 23% YoY

Q1FY19 Revenue at Rs 1,414 Cr a growth of 36% YoY

Q1FY19 EBITDA at Rs.411 Cr with a margin of 29.1%

Q1FY19 PAT at Rs.230 Cr with a margin of 16.3%



**Board of Directors declared an Interim Dividend of Rs 2.0/- per equity share**

# Profit & Loss

Particulars (Rs.Cr)	Standalone					
	Q1FY19	Q1FY18	YoY %	FY18	FY17	YoY %
Sales (MT)	56,754	46,327	23%	199,213	172,419	16%
Revenue from Operations	1,362	1,012		4,464	3,785	
Realized Gain on Foreign Exchange	51	24		221	69	
<b>Total Income</b>	<b>1,414</b>	<b>1,036</b>	<b>36%</b>	<b>4,686</b>	<b>3,854</b>	<b>22%</b>
Raw Material	649	553		2193	1,581	
(Increase) / Decrease in Stock	-11	-30		-43	0	
Employee Expenses	68	59		249	224	
Other Expenses	297	208		935	832	
<b>EBITDA</b>	<b>411</b>	<b>246</b>	<b>67%</b>	<b>1,352</b>	<b>1,216</b>	<b>11%</b>
<b>EBITDA Margin</b>	<b>29.1%</b>	<b>23.8%</b>		<b>28.9%</b>	<b>31.6%</b>	
Other Income #	29	62		91	166	
Interest & Finance Charges	3	5		13	21	
Depreciation	84	76		311	304	
<b>Profit Before Tax</b>	<b>352</b>	<b>228</b>	<b>55%</b>	<b>1,118</b>	<b>1,056</b>	<b>6%</b>
Tax	122	75		379	341	
<b>PAT</b>	<b>230</b>	<b>153</b>	<b>50%</b>	<b>739</b>	<b>716</b>	<b>3%</b>
<b>PAT Margin</b>	<b>16.3%</b>	<b>14.8%</b>		<b>15.8%</b>	<b>18.6%</b>	

# Includes Investment Income and Unrealized Gain/(Loss)

## Other Income and Net Forex Gain/(Loss)

Particulars (Rs. Cr)	Standalone			
	Q1FY19	Q1FY18	FY18	FY17
Exchange Difference Gain (Realized)	53	30	245	84
Exchange Difference Gain (Un-Realized)	20	28	18	39
Others	9	34	73	127
<b>Total Other Income</b>	<b>82</b>	<b>92</b>	<b>336</b>	<b>250</b>

Particulars (Rs. Cr)	Standalone			
	Q1FY19	Q1FY18	FY18	FY17
Foreign Exchange Fluctuation on Sales	51	24	221	69
Foreign Exchange Fluctuation on Others	2	6	24	15
<b>Total Realised Gain/(Loss) – A</b>	<b>53</b>	<b>30</b>	<b>245</b>	<b>84</b>
Foreign Exchange Fluctuation on Non Derivative Items	20	15	18	19
Foreign Exchange Fluctuation on Derivate Item	-	13	-	20
<b>Total Unrealized Gain/(Loss) - B</b>	<b>20</b>	<b>28</b>	<b>18</b>	<b>39</b>
<b>Net Forex Gain/(Loss) = A + B</b>	<b>73</b>	<b>58</b>	<b>263</b>	<b>123</b>

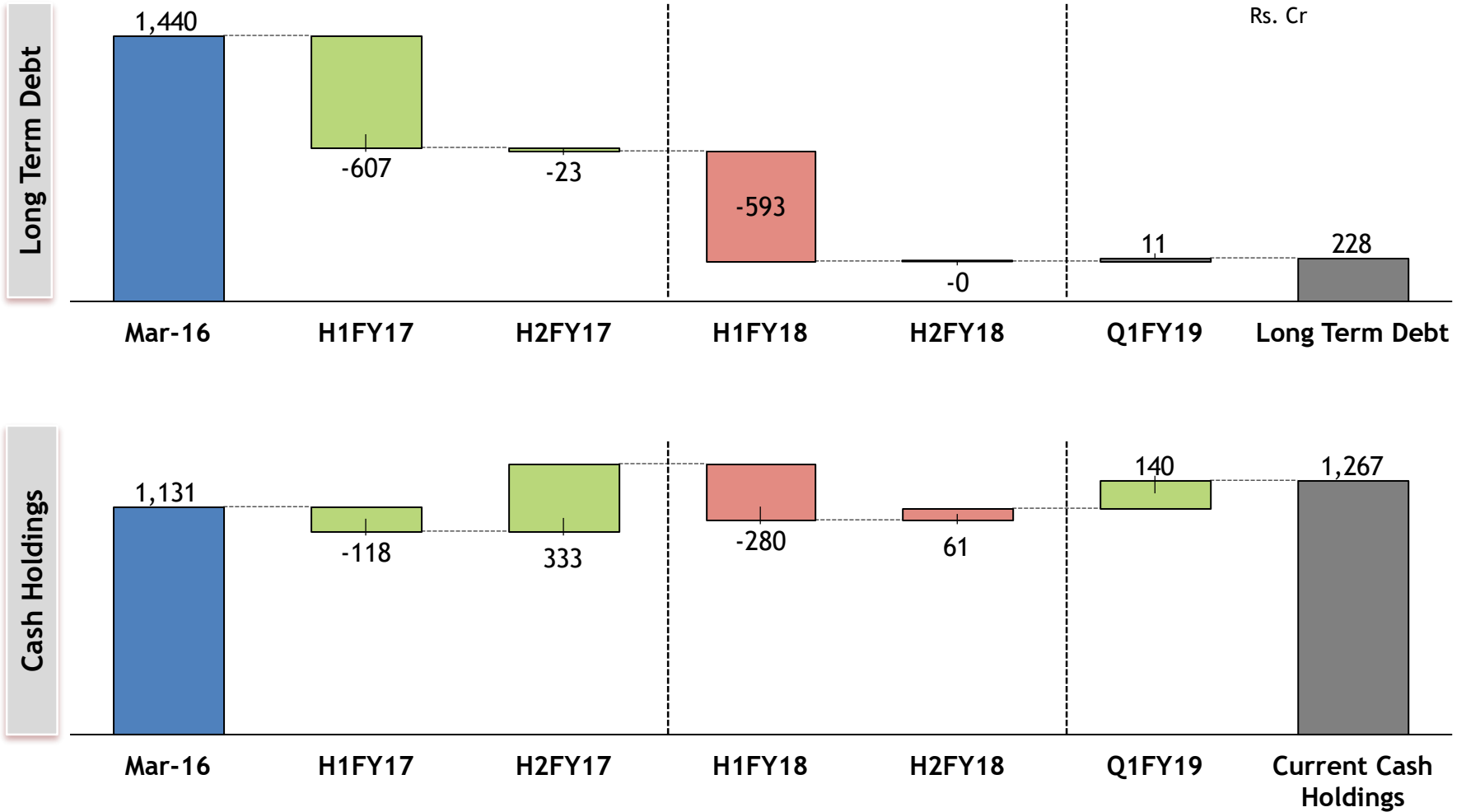
# Balance Sheet

Particulars (Rs. Cr.)	Mar'18	Mar'17
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>3,861</b>	<b>4,043</b>
Property, Plant and Equipment	2,795	2,793
Capital work-in-progress	118	110
Investment Property	51	52
Other Tangible Assets	3	4
Financial Assets		
(i) Investments	620	888
(ii) Other Financial Assets	8	40
Income Tax Assets (Net)	81	72
Other non-current assets	185	85
<b>Current assets</b>	<b>1,983</b>	<b>1,712</b>
Inventories	594	460
Financial Assets		
(i) Investments	483	462
(ii) Trade Receivables	502	412
(iii) Cash and cash equivalents	18	11
(iv) Bank Balances other than (iii) above	7	2
(v) Loans	14	24
(vi) Others	88	175
Other Current Assets	277	166
<b>TOTAL</b>	<b>5,845</b>	<b>5,756</b>

Particulars (Rs. Cr.)	Mar'18	Mar'17
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>	<b>4,095</b>	<b>3,551</b>
Equity Share Capital	39	19
Other Equity	4,057	3,532
<b>Non-Current Liabilities</b>	<b>353</b>	<b>599</b>
Financial Liabilities		
(i) Borrowings	2	219
(i) Other Financial Liabilities	0	0
Provisions	13	13
Deferred Tax Liabilities (Net)	329	353
Other Non-Current Liabilities	9	15
<b>Current liabilities</b>	<b>1,396</b>	<b>1,605</b>
Financial Liabilities		
(i) Borrowings	616	548
(ii) Trade Payables	397	363
(iii) Other Financial Liabilities	268	641
Other Current Liabilities	108	47
Provisions	7	6
<b>TOTAL</b>	<b>5,845</b>	<b>5,756</b>



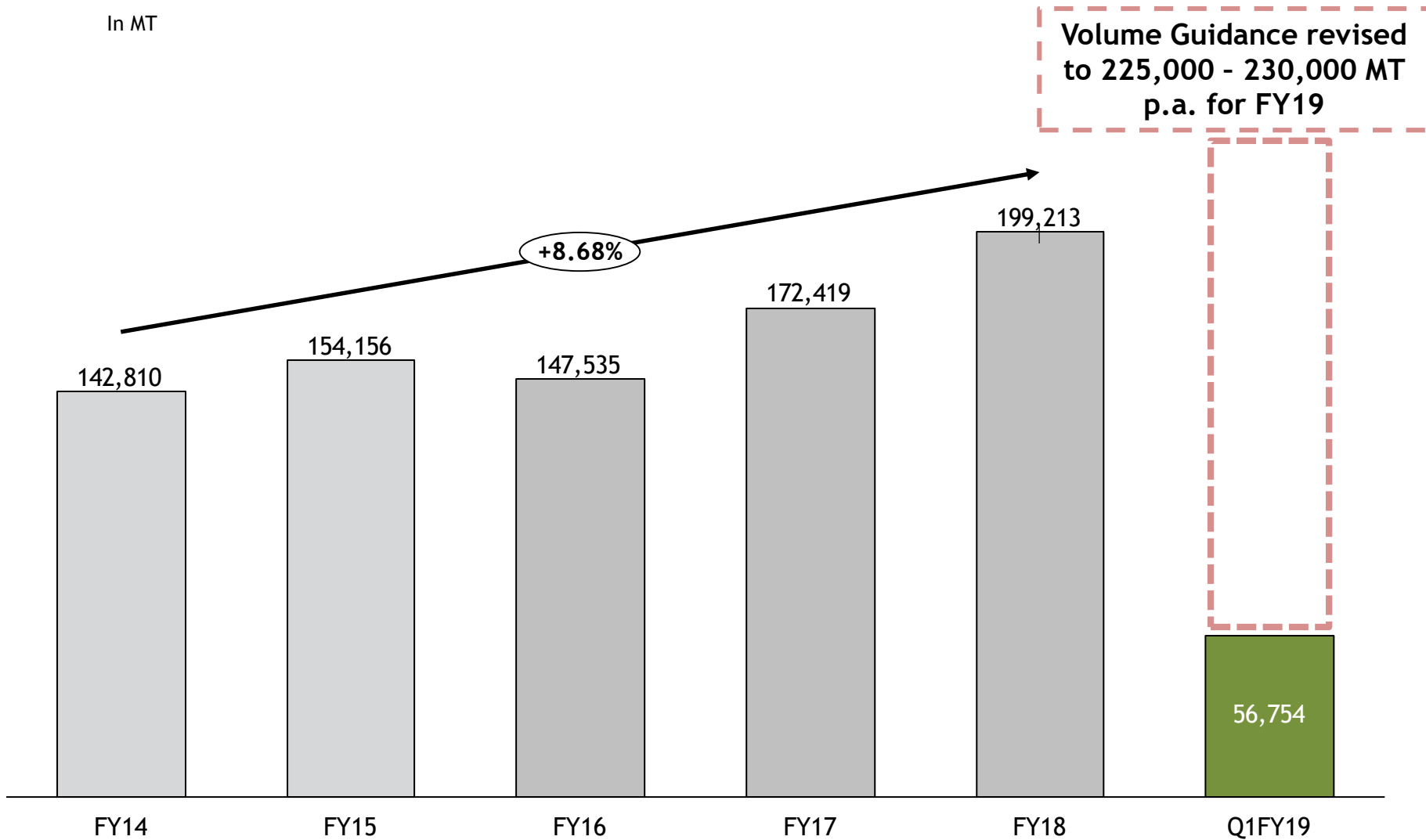
# Long Term Debt Profile



Repayment of ~USD 33mn on 14<sup>th</sup> August 2018

# Sales Profile

In MT



## Strategy at BKT



# Our Focus Area

## Market Reach

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



## New Geographies

Develop New Geographies and increase presence of Brand BKT



## Utilization

Increase Production from Bhuj and other plants so as to attain higher Utilization levels and faster return on Investments



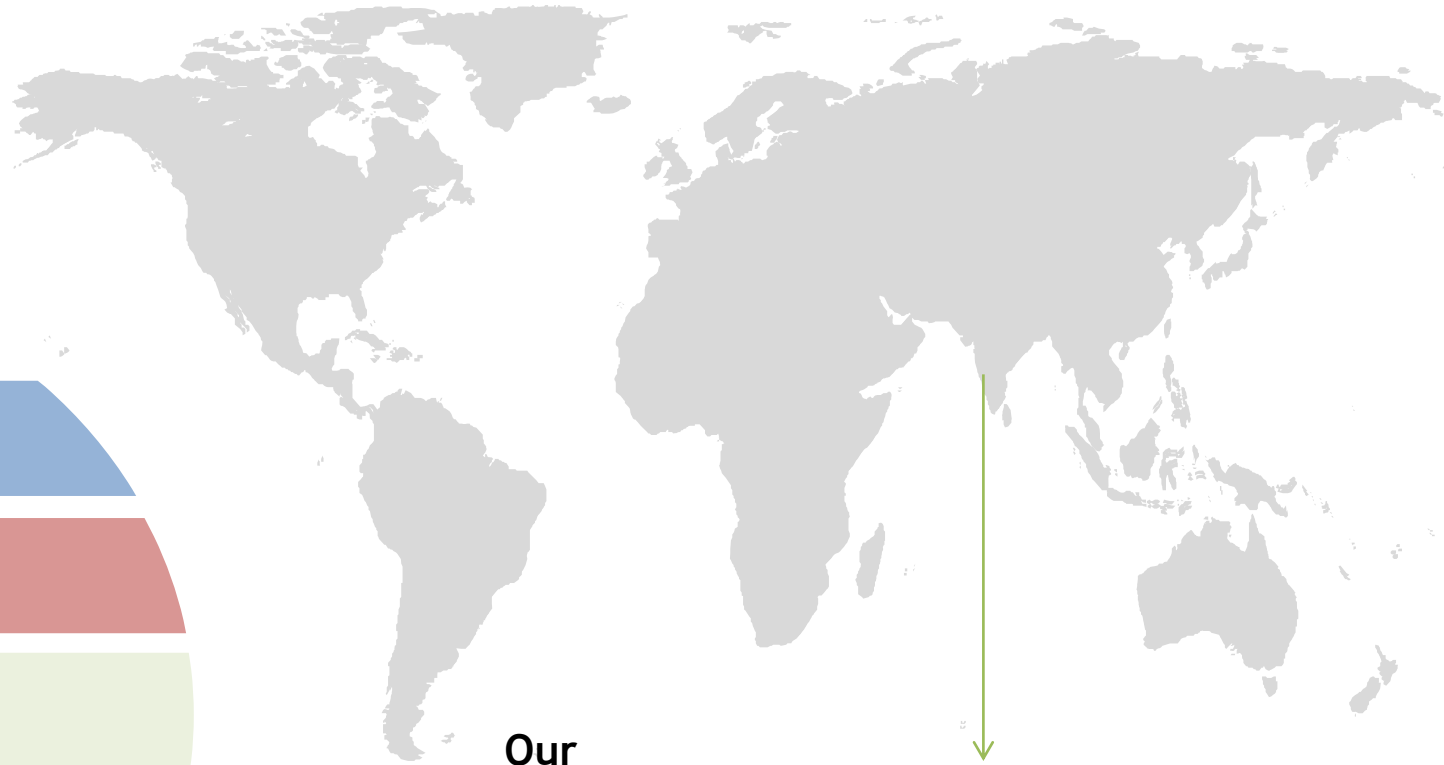
## Indian Markets

Strengthen our distribution channels within Indian Markets

# To Serve Global OEMs...



# With India Production and Global Sales



Aurangabad,  
Maharashtra

Bhiwadi,  
Rajasthan

Chopanki,  
Rajasthan

Bhuj,  
Gujarat

Mould plant,  
Aurangabad

Our  
plants

India - Our  
Manufacturing base

## BKT - A Strong Indian Brand

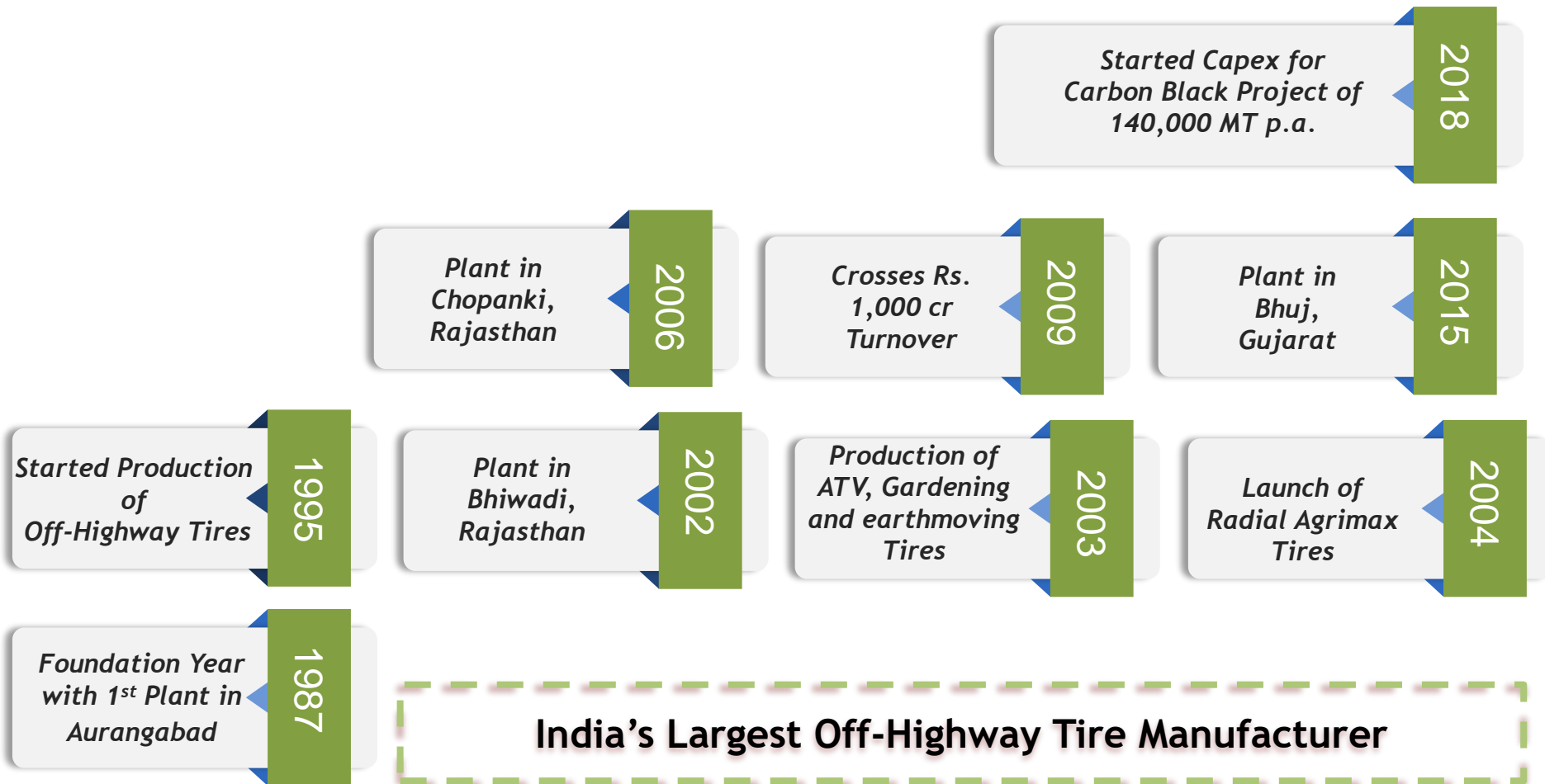


# Balkrishna Industries - A Snapshot





# Our Strong Evolution



# New R&D Center at Bhuj



# Application of our Tires

**Agriculture Tires**



Cotton Pick Harvester



Tractor



Vineyard Tractor



Pivot Irrigator

**Industrial Tires**



Loader



Telehandler

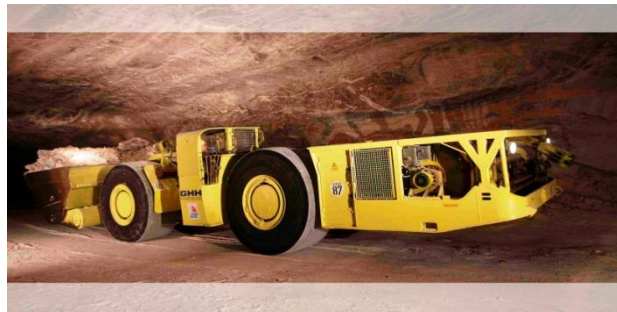


Mobile Crane

**OTR Tires**



Load Haul Dump



Underground Mining



Container Handler



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