



# Disclaimer

---

This presentation may include statements which may constitute forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures, and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements.

The information contained in these materials has not been independently verified. None of the Company, its Directors, Promoter or affiliates, nor any of its or their respective employees, advisers or representatives or any other person accepts any responsibility or liability whatsoever, whether arising in tort, contract or otherwise, for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred howsoever arising, directly or indirectly, from any use of this document or its contents or otherwise in connection with this document, and makes no representation or warranty, express or implied, for the contents of this document including its accuracy, fairness, completeness or verification or for any other statement made or purported to be made by any of them, or on behalf of them, and nothing in this document or at this presentation shall be relied upon as a promise or representation in this respect, whether as to the past or the future. The information and opinions contained in this presentation are current, and if not stated otherwise, as of the date of this presentation. The Company undertake no obligation to update or revise any information or the opinions expressed in this presentation as a result of new information, future events or otherwise. Any opinions or information expressed in this presentation are subject to change without notice.

This presentation does not constitute or form part of any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of CEAT Limited (the “Company”), nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment therefore. Any person/ party intending to provide finance / invest in the shares/businesses of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedure to ensure that they are making an informed decision. This presentation is strictly confidential and may not be copied or disseminated, in whole or in part, and in any manner or for any purpose. No person is authorized to give any information or to make any representation not contained in or inconsistent with this presentation and if given or made, such information or representation must not be relied upon as having been authorized by any person. Failure to comply with this restriction may constitute a violation of the applicable securities laws. The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about and observe any such restrictions. By participating in this presentation or by accepting any copy of the slides presented, you agree to be bound by the foregoing limitations.

# Table of Contents

---

**Section 1: RPG Group Overview**

**4-6**

**Section 2: Business Overview**

**7-18**

**Section 3: Operational & Financial Overview**

**19-27**

# Section 1: RPG Group Overview



# RPG Group: Powered by Passion, Driven by Ethics

**UNLEASHTALENT  
TOUCHLIVES  
OUTPERFORM  
AND😊**

RPG Enterprises was founded in 1979. The group currently operates in various industries - Infrastructure, Technology, Life Sciences, Plantations and Tyre Manufacturing. The group has a history of business dating back to 1820 AD in banking, textiles, jute and tea. The Group grew in size and strength with several acquisitions in the 1980s and 1990s. CEAT became a part of the RPG Group in 1982, which is now one of India's fastest growing conglomerates with 20000+ employees, presence in 100+ countries and annual gross revenues of over \$3 Bn.



**KEC International**  
  
World leader in Power Transmission EPC space



**CEAT**  
  
One of India's leading manufacturer of automobile tyres



**Zensar Technologies**  
  
Software services provider spread across 20 countries, 400+ customers.



**RPG Life Sciences**  
  
Pharma company with wide range medicines in global generics and synthetic APIs.



**Raychem RPG**  
  
Engineering products and services catering to infrastructure segment of the economy.

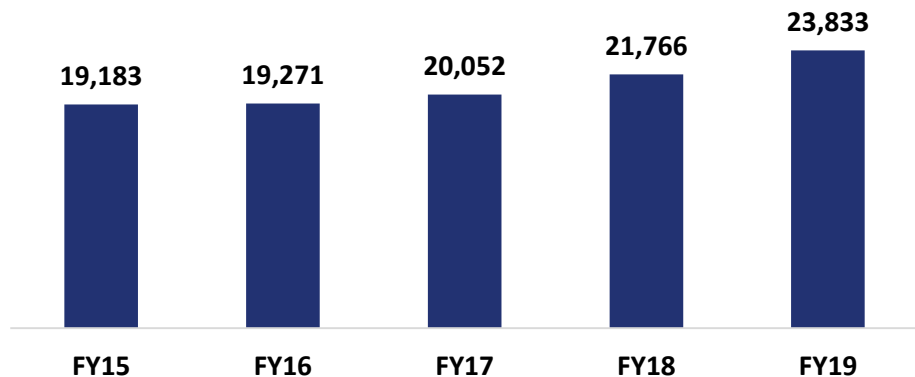


**Harrisons Malayalam**  
  
One of India's largest plantation companies with tea, rubber and other agro products.

# RPG Group: Key Financials

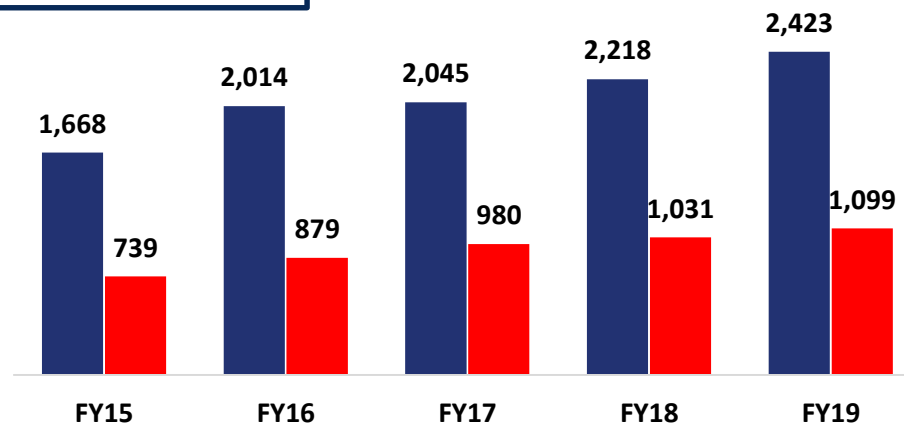
FY15-19  
CAGR: 5.6%

■ Gross Total Income (Rs Cr.)

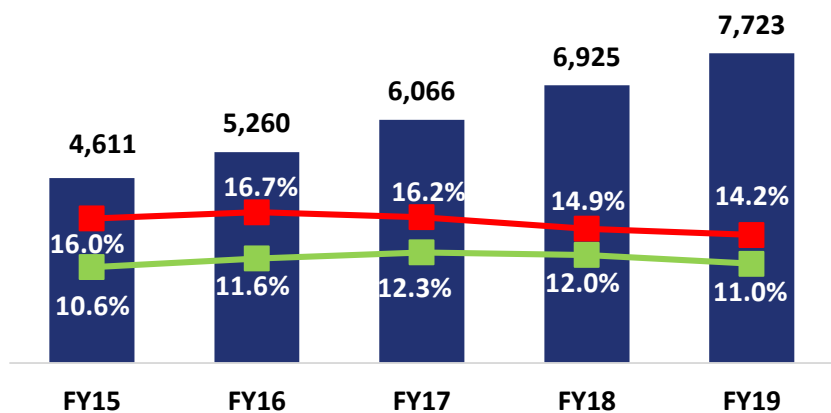


FY15-19 CAGR:  
EBITDA 9.8% PAT 10.4%

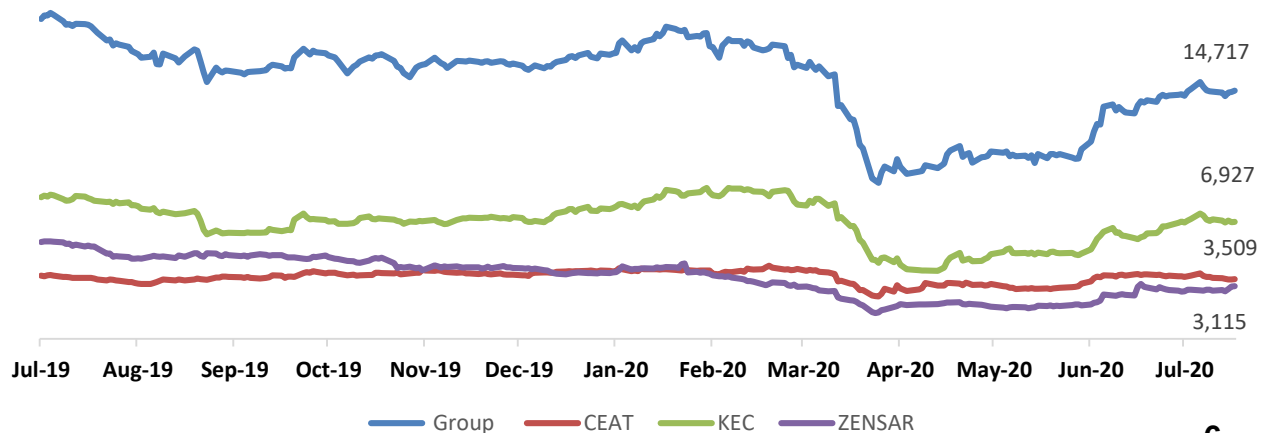
■ EBITDA ■ PAT



■ Net Worth ■ ROE ■ ROCE



Market Cap



**Note:**

- 1) ROCE is calculated by taking EBIT\*(1-ETR) divided by Capital Employed
- 2) ROE is calculated by taking PAT divided by Net-worth
- 3) Market Cap updated till 30<sup>th</sup> April 2020

# Section 2: Business Overview

# Board of Directors



**Harsh Vardhan Goenka**  
Chairman, Non Executive Director



**Anant Goenka**  
Managing Director



**Arnab Banerjee**  
COO and Whole Time Director



**Atul C. Choksey**  
Non Executive Independent Director



**Pierre E. Cohade**  
Non Executive  
Non Independent Director



**Haigreve Khaitan**  
Non Executive  
Independent Director



**Mahesh S. Gupta**  
Non Executive  
Independent Director



**Paras K. Chowdhary**  
Non Executive  
Independent Director



**Punita Lal**  
Non Executive  
Independent Director



**Ranjit Pandit**  
Non Executive  
Independent Director



**Vinay Bansal**  
Non Executive  
Independent Director



# Leadership Team

---

**Anant Goenka**



**Managing Director**

**Kumar Subbiah**



**Chief Financial Officer**

**Arnab Banerjee**



**Chief Operating Officer**

**Milind Apte**



**Senior Vice President  
– Human Resources**

**Dilip Modak**



**Senior Vice President  
– Manufacturing**

**Vijay Gambhire**



**Managing Director – CEAT Specialty,  
Senior Vice President – QBM**

**Saurav Mukherjee**



**Senior Vice President  
– Global Sales**

**Peter Becker**



**Senior Vice President  
– R&D and Technology**

India's leading tyre company with over **50** yrs of presence

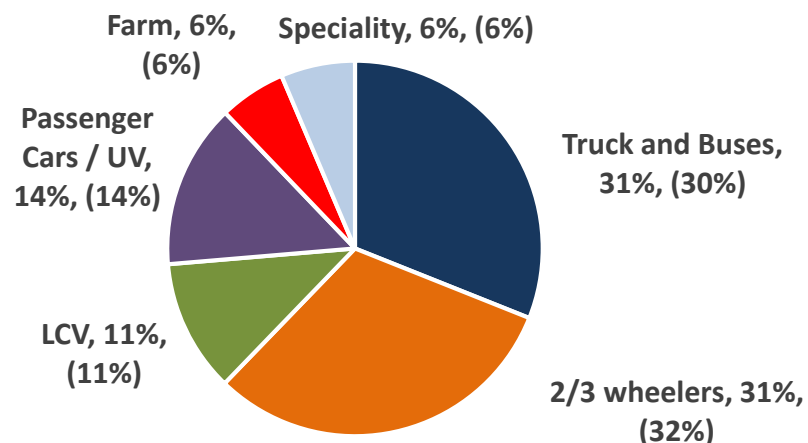
Distribution Network : **4,000+** dealers, **500+** exclusive CEAT franchisees

**7** Manufacturing facilities - Bhandup, Nasik, Halol, Nagpur, Ambernath, Chennai & Sri Lanka

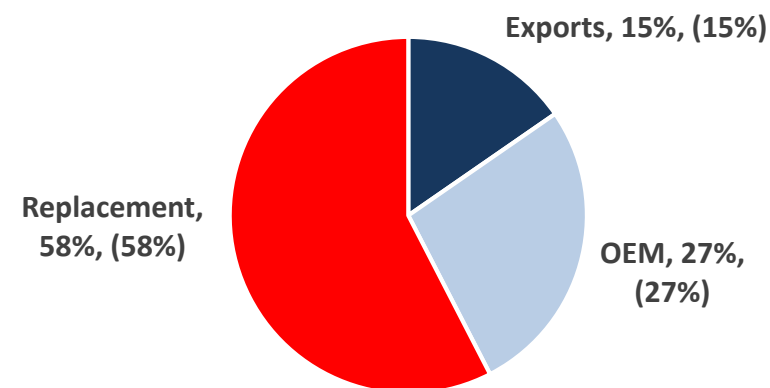
**100+** countries where products are sold with strong brand recall

**#No 1** player in Sri Lanka in terms of market share

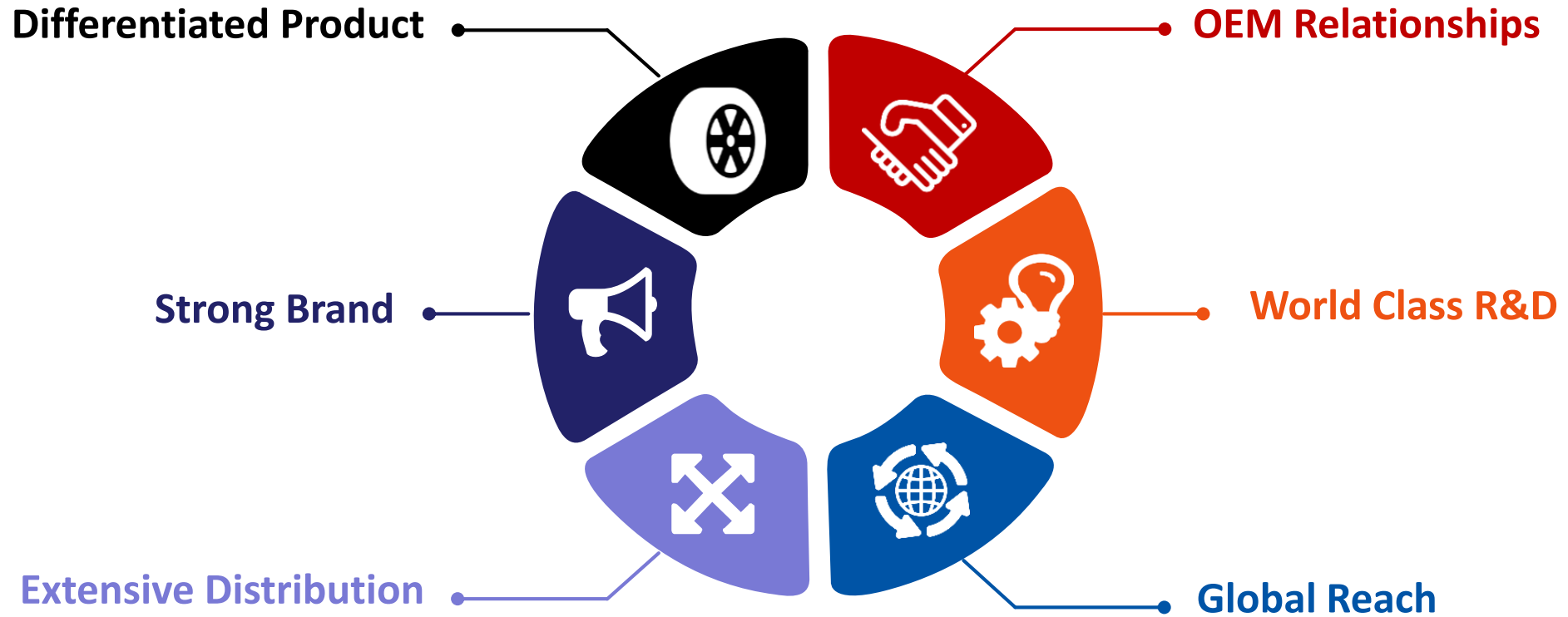
FY20 Revenue Breakup by Product



FY20 Revenue Breakup by Market



1. Consolidated revenue breakup
2. Corresponding figures in investor presentations till Q4 FY19 had standalone revenue break-up
3. Figures in parenthesis denote H1 FY20 consolidated Revenue break-up



# 1 Differentiated Products

## Strengthening OEM Relationships



### Key developments

- Focus on OEM, recent entries in new models** – Honda Activa (BSVI), Honda CB Shine SP (BSVI), Hero MotoCorp Splendor iSmart (BSVI), Hero MotoCorp HF Deluxe (BSVI), Hero Dare 125, Hero Duet E, Maruti Suzuki Alto VXI+, Hero Glammer Refresh, Mahindra Jeeto Z Series, Tata Intra
- Recent entries into OEM's existing models** – JBM CNG Bus, Mahindra Scorpio S3, Honda Bikes till 125 CC, Yamaha FZ 150 CC, Suzuki Gixxer 150 CC, Ashok Leyland Truck 1618, Daimler BSVI Trucks, Piaggio Aprilia 150 CC
- Platforms** like Fuelsmart, Gripp, Mileage X3, SecuraDrive etc.



## 2 Strong Brand



CEAT's high performance tyres ensure **Superior Grip** throughout the monsoons

Doorstep fitment of tyres and other services through our company [TyresNmore](#)

CEAT RPG

**JUMPSTART TO ROUTINE**  
Doorstep Service by CEAT

- BATTERY JUMP START
- TYRE INSPECTION
- AIR INFLATION
- TUBELESS PUNCTURE REPAIR
- CAR SANITIZATION

Powered by [TYRESNmore!](#) Available only in Bangalore, Delhi and Hyderabad

92 1275 1275

CEAT's ode to the Unsung Heroes  
**Truckers and Fleets**





# 3 Extensive Distribution

CEAT Shoppe



Shop in Shop (SIS)



Multi Brand Outlet



CEAT Bike Shoppe



**4000+**  
Dealers &  
Channel Partners

**300+**  
2W Distributors

**600+**  
Districts

**500+**  
CEAT Franchisees

**35,000+**  
Sub-dealers

**400+**  
MBO / SIS

# 4 Deep OEM Partnerships



TATA Motors

Ashok Leyland

VECV

Escorts

AMW

TAFE



Mahindra

Daimler

Eicher

SML Isuzu

JBM Group



Maruti Suzuki

TATA Motors

Mahindra

Renault

Hyundai

KIA



Force Motors

Datsun

Skoda

Peugeot

Volkswagen

Morris Garage



Honda

Royal Enfield

Bajaj

Yamaha

Suzuki

Hero

Hero Electric



Piaggio

LML

Tork

Tunwal

Okinawa Scooters

Kawasaki

## 5 World Class R&D



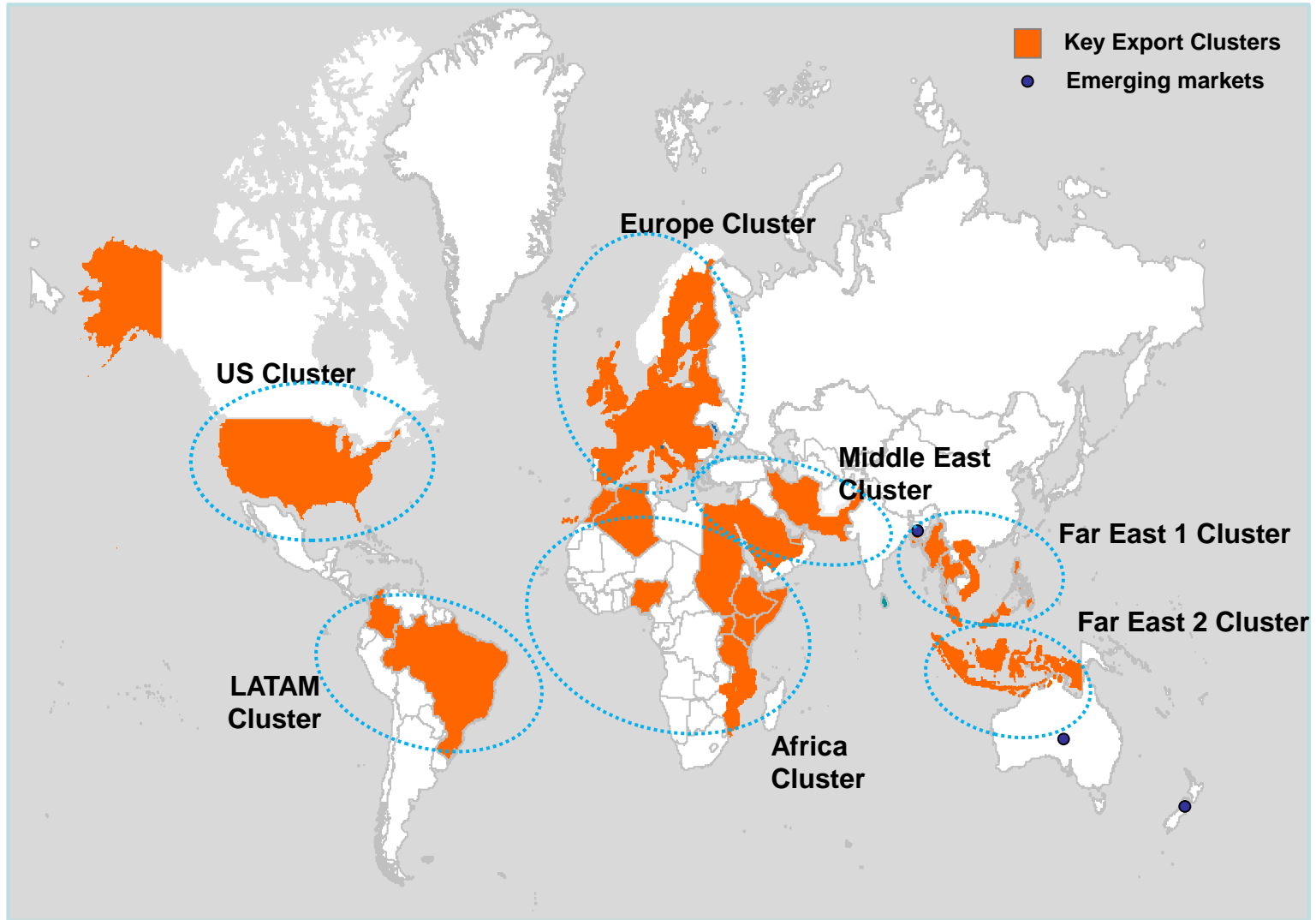
**State-of-the-Art R&D Center, Halol**



**R&D Office, Germany**

- Significant investment on tyre testing infrastructure like Anechoic Chamber, Flat Track Test Machine
- Focus on upcoming technologies like Electric Vehicle, Sustainability and Smart Tyres

# 6 Expanding Global Reach



- Exports to 90+ Countries in 7 clusters
- Sri Lanka: Manufacturing facility and Leadership position in the market and with 50+% market share
- Focused product and distribution strategy for select clusters and countries

# Section 3: Operational & Financial Overview



# Q1 FY21 Operational Highlights

## Great Places to Work Survey

We have been ranked

**35<sup>th</sup>**

amongst India's 100 Best Companies to work for in 2020 by  
**THE GREAT PLACE TO WORK<sup>®</sup> INSTITUTE**

Best Companies To Work For  
Great Place To Work. INDIA 2020  
THE ECONOMIC TIMES

The graphic features a dark blue background with colorful confetti. The CEAT logo is in the top right corner. The text is centered, with the number '35' in large orange font. At the bottom, there are logos for 'Best Companies To Work For', 'Great Place To Work. INDIA 2020', and 'THE ECONOMIC TIMES'.

# Consolidated: Q1 FY21 Financial Highlights

## Q1 FY21 v/s Q4 FY20 (Q-o-Q)

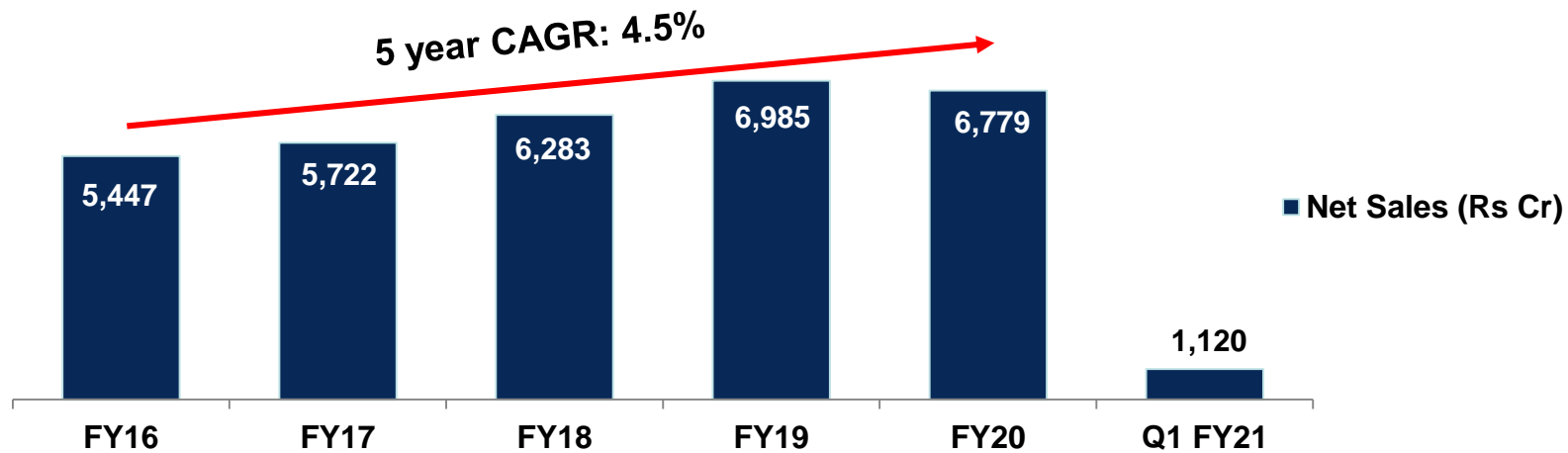
- Net revenue from operations declined by 28.8% at INR 1,120 Crs from INR 1,573 Crs
- Gross margin contracted to 40.3% from 45.6%
- EBITDA stood at INR 105 Crs compared to INR 203 Crs; margins at 9.4% from 12.9%
- PAT stood at INR (35) Crs compared to INR 52 Crs
- Debt / equity at 0.69x compared to 0.66x

## Q1 FY21 v/s Q1 FY20 (Y-o-Y)

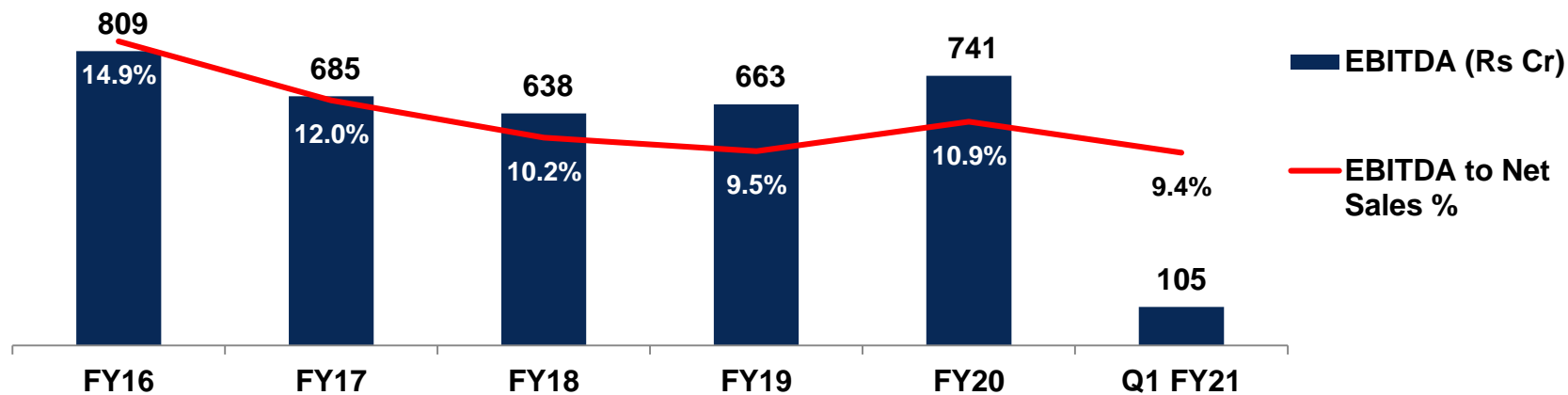
- Net revenue from operations declined by 36.1% at INR 1,120 Crs from INR 1,752 Crs
- Gross margin expanded to 40.3% from 39.5%
- EBITDA stood at INR 105 Crs compared to INR 172 Crs; margins at 9.4% from 9.8%
- PAT stood at INR (35) Crs compared to INR 82 Crs
- Debt / equity at 0.69x compared to 0.57x

# Consolidated: Financial Trends

Revenue growth



Margin trends



**Note**

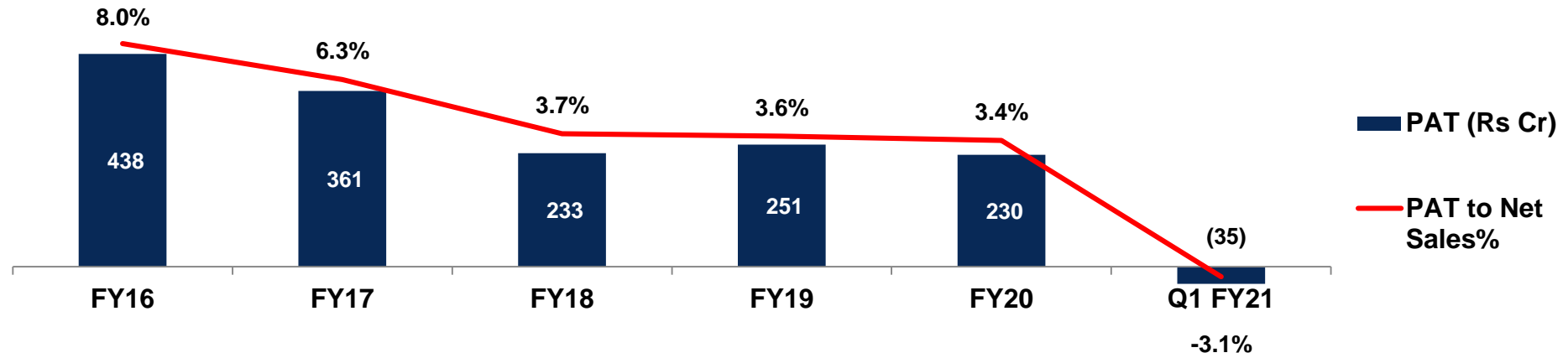
All figures are per IND AS

Company's investment in Sri Lanka JV is accounted using Equity method

EBITDA includes profit from Sri Lanka JV; EBITDA does not include Non-operating income

# Consolidated: Financial Trends

PAT trends



**Notes**

All figures are per IND AS

# Consolidated: Q1 FY21 Financials

All figures in INR Cr

Parameter	Q1 FY20	Q4 FY20	Q1 FY21	QoQ	YoY
<b>Net Revenue from operations</b>	<b>1,752.1</b>	<b>1,573.4</b>	<b>1,120.2</b>	<b>-29%</b>	<b>-36%</b>
Raw Material	1,059.6	855.2	669.3	-22%	-37%
<b>Gross margin</b>	<b>692.5</b>	<b>718.3</b>	<b>450.9</b>	<b>-37%</b>	<b>-35%</b>
<b>Gross margin %</b>	<b>39.5%</b>	<b>45.6%</b>	<b>40.3%</b>	<b>(540) bps</b>	<b>73 bps</b>
Employee Cost	134.4	141.8	151.3	7%	13%
Other Expenses	391.0	376.1	197.6	-47%	-49%
<b>EBITDA</b>	<b>172.4</b>	<b>202.9</b>	<b>105.5</b>	<b>-48%</b>	<b>-39%</b>
<b>EBITDA %</b>	<b>9.8%</b>	<b>12.9%</b>	<b>9.4%</b>	<b>(348) bps</b>	<b>(42) bps</b>
Finance Cost	34.9	40.7	48.8	20%	40%
Depreciation	64.4	74.5	78.5	5%	22%
<b>Operating PBT</b>	<b>73.1</b>	<b>87.7</b>	<b>(21.8)</b>	<b>-125%</b>	<b>-130%</b>
Exceptional expense	0.6	28.2	21.8	-23%	
Non-Operating income	12.0	3.5	2.8	-20%	-76%
<b>PBT</b>	<b>84.4</b>	<b>63.1</b>	<b>(40.8)</b>	<b>-165%</b>	<b>-148%</b>
<b>PAT</b>	<b>82.2</b>	<b>51.7</b>	<b>(35.2)</b>	<b>-168%</b>	<b>-143%</b>

## Notes

Figures are as per IND AS

Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

Gross margin includes impact of non-material cost movement of inventory (FG + SFG)

EBITDA includes profit from Sri Lanka JV

EBITDA does not include Non-operating income



# Consolidated: Leverage / coverage Profile

Total Debt  
(INR Cr)

663

924

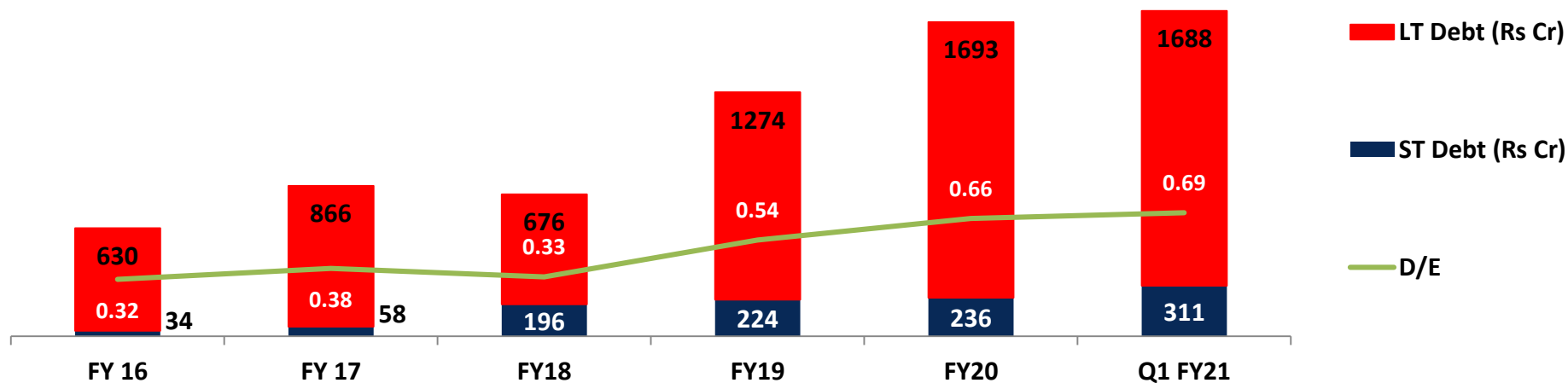
872

1498

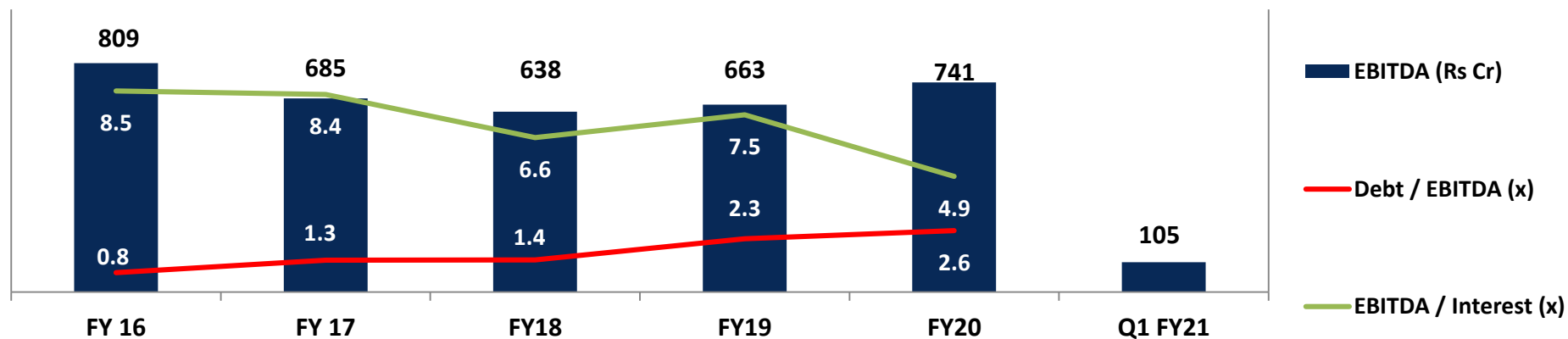
1929

1998

Debt breakup



Leverage ratios



**Note**

All figures are per IND AS

Debt numbers are on Gross basis

Company's investment in Sri Lanka JV is accounted using Equity method

EBITDA includes profit from Sri Lanka JV; EBITDA does not include Non- operating income

Long Term debt also includes the 'Current Maturities' component of the long-term debt

# Standalone: Q1 FY21 Financials

All figures in INR Cr

Parameter	Q1 FY20	Q4 FY20	Q1 FY21	QoQ	YoY
<b>Net Revenue from operations</b>	<b>1,703.6</b>	<b>1,523.6</b>	<b>1,066.5</b>	<b>-30%</b>	<b>-37%</b>
Raw Material	1,047.5	847.3	648.8	-23%	-38%
<b>Gross margin</b>	<b>656.1</b>	<b>676.4</b>	<b>417.8</b>	<b>-38%</b>	<b>-36%</b>
<b>Gross margin %</b>	<b>38.5%</b>	<b>44.4%</b>	<b>39.2%</b>	<b>(522) bps</b>	<b>66 bps</b>
Employee Cost	124.0	130.3	138.7	6%	12%
Other Expenses	371.5	356.1	179.9	-49%	-52%
<b>EBITDA</b>	<b>160.7</b>	<b>189.9</b>	<b>99.2</b>	<b>-48%</b>	<b>-38%</b>
<b>EBITDA %</b>	<b>9.4%</b>	<b>12.5%</b>	<b>9.3%</b>	<b>(317) bps</b>	<b>(13) bps</b>
Finance Cost	29.6	33.8	42.8	27%	45%
Depreciation	59.5	69.3	73.0	5%	23%
<b>Operating PBT</b>	<b>71.6</b>	<b>86.9</b>	<b>(16.6)</b>	<b>-119%</b>	<b>-123%</b>
Exceptional expense	0.6	28.1	21.7	-23%	
Non-Operating income	14.8	6.5	17.6	173%	19%
<b>PBT</b>	<b>85.9</b>	<b>65.2</b>	<b>(20.7)</b>	<b>-132%</b>	<b>-124%</b>
<b>PAT</b>	<b>87.0</b>	<b>55.8</b>	<b>(14.6)</b>	<b>-126%</b>	<b>-117%</b>

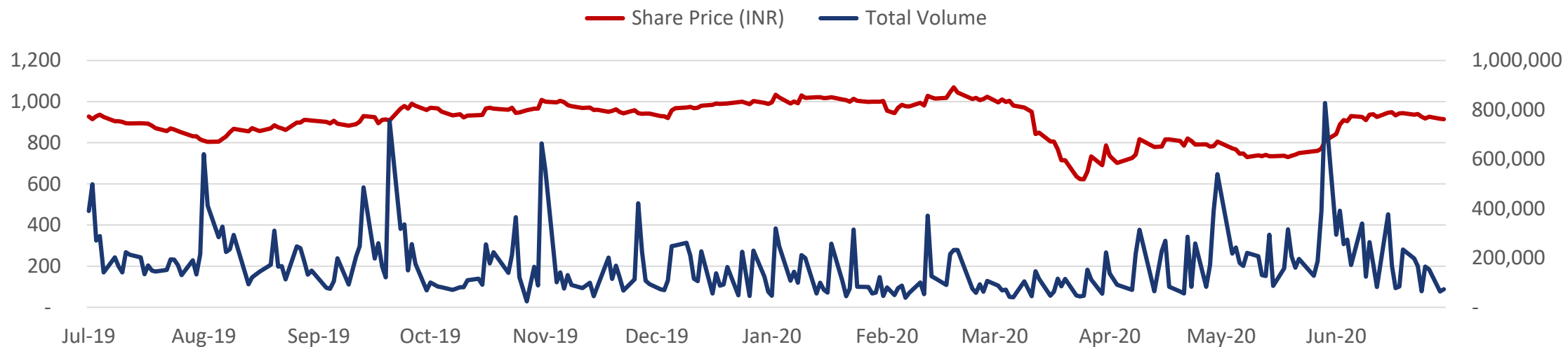
## Notes

Financials are as per IND AS

Gross margin includes impact of non-material cost movement of inventory (FG + SFG)

EBITDA does not include Non-operating income

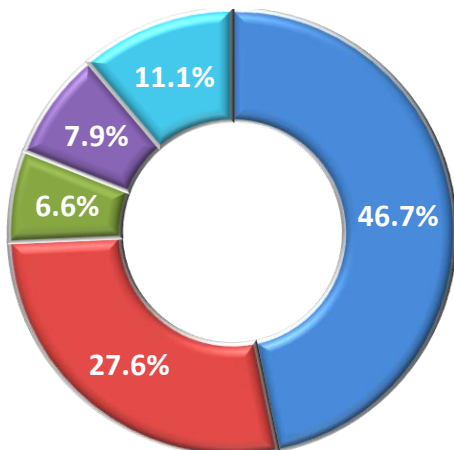
# Equity Shareholding & Price trends



Source : Capitaline. The above data is updated till 31<sup>st</sup> March 2020

## Shareholding Pattern as on June 30, 2020

- Promoters
- FII/FPI
- Mutual Funds
- Ins., Fin. Inst. & Other Corp.
- Public/Others



## Market Information

- Market Price (July 28<sup>th</sup>, 2020): INR 877.15/share
- Face Value : INR 10/share
- Market Cap (July 28<sup>th</sup>, 2020): INR 3,458 Cr

**T H A N K Y O U**