

**Welcome Holi with CEAT ZOOM RAD bike tyre. Safety, now in colour.**

**LIMITED EDITION**

Express yourself with CEAT ZOOM RAD bike tyre. Now available in unique colours.  
Available in – 140/60R17.

**CEAT** it helps

**CEAT SecuraDrive**

**Optimised for Superior Control and Comfort**

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# Table of Contents

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**Section 1: RPG Group Overview**

**5-6**

**Section 2: Business Overview**

**8-18**

**Section 3: Operational & Financial Overview**

**20-27**

# Section 1: RPG Group Overview

# RPG Group: Powered by Passion, Driven by Ethics

**UNLEASHTALENT  
TOUHLIVES  
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.

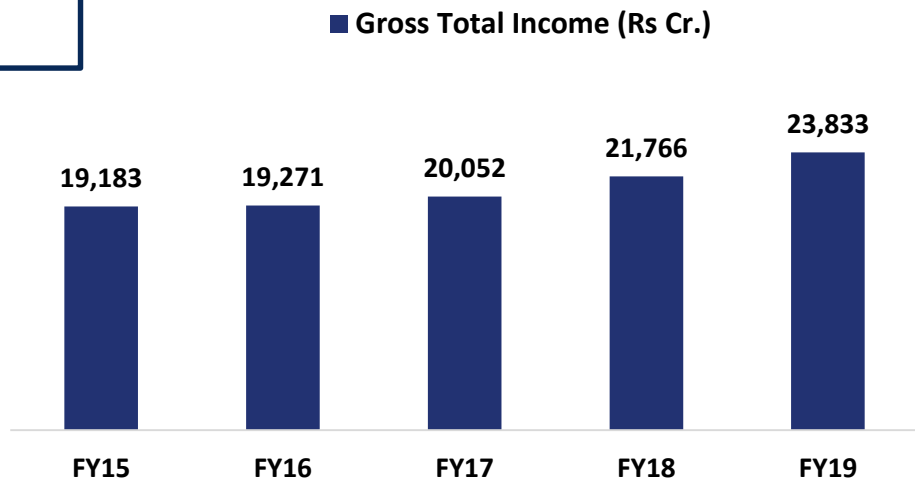


**Harrisons  
Malayalam**

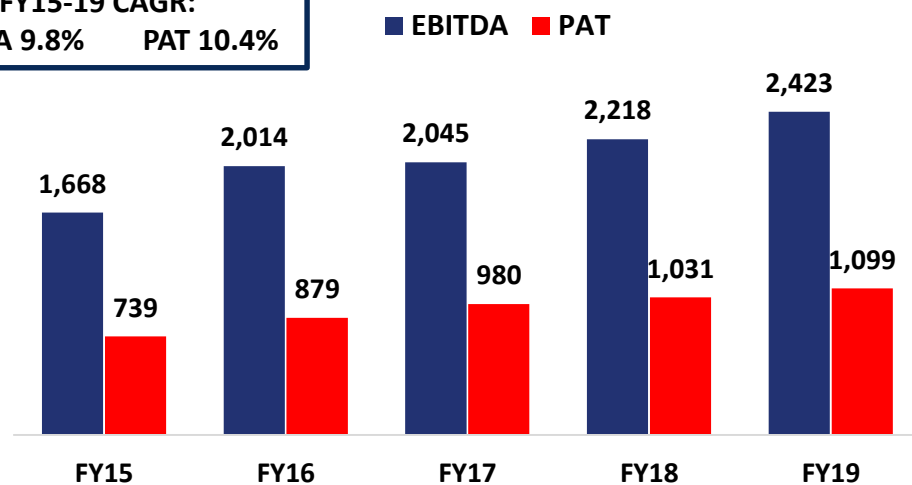
One of India's  
largest plantation  
companies with  
tea, rubber and  
other agro  
products.

# RPG Group: Key Financials

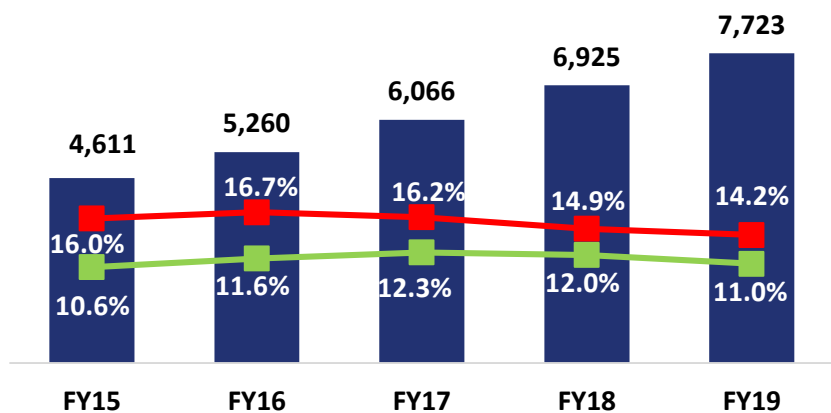
FY15-19  
CAGR: 5.6%



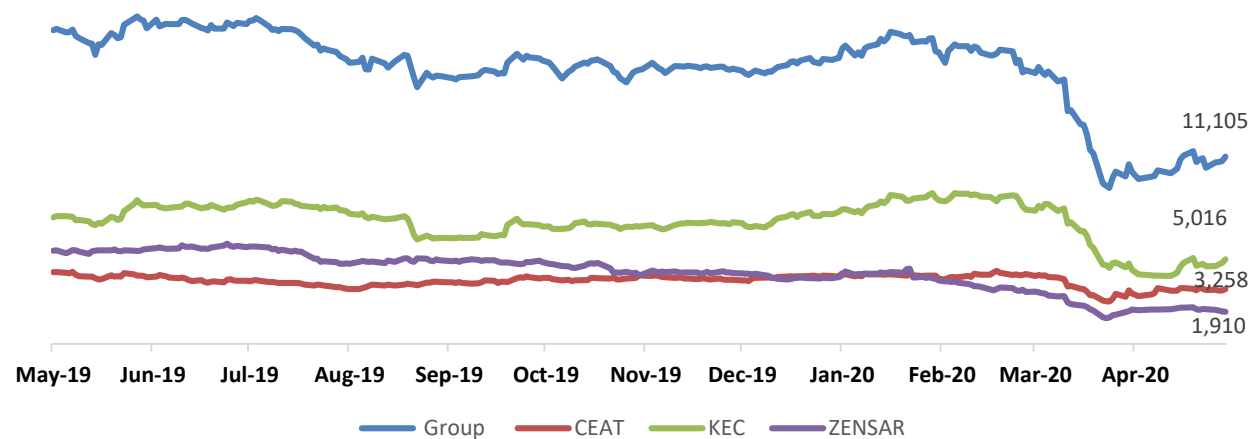
FY15-19 CAGR:  
EBITDA 9.8% PAT 10.4%



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**

**Peter Becker**



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

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

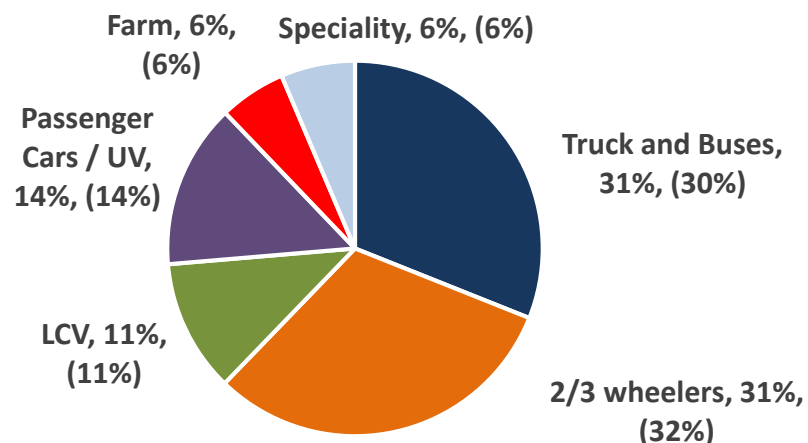
Distribution Network : **4,000+** dealers, **500+** exclusive CEAT franchisees

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

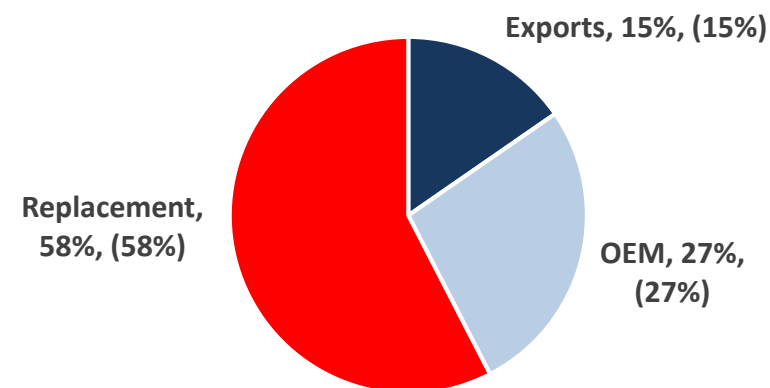
**100+** countries where products are sold with strong brand recall

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

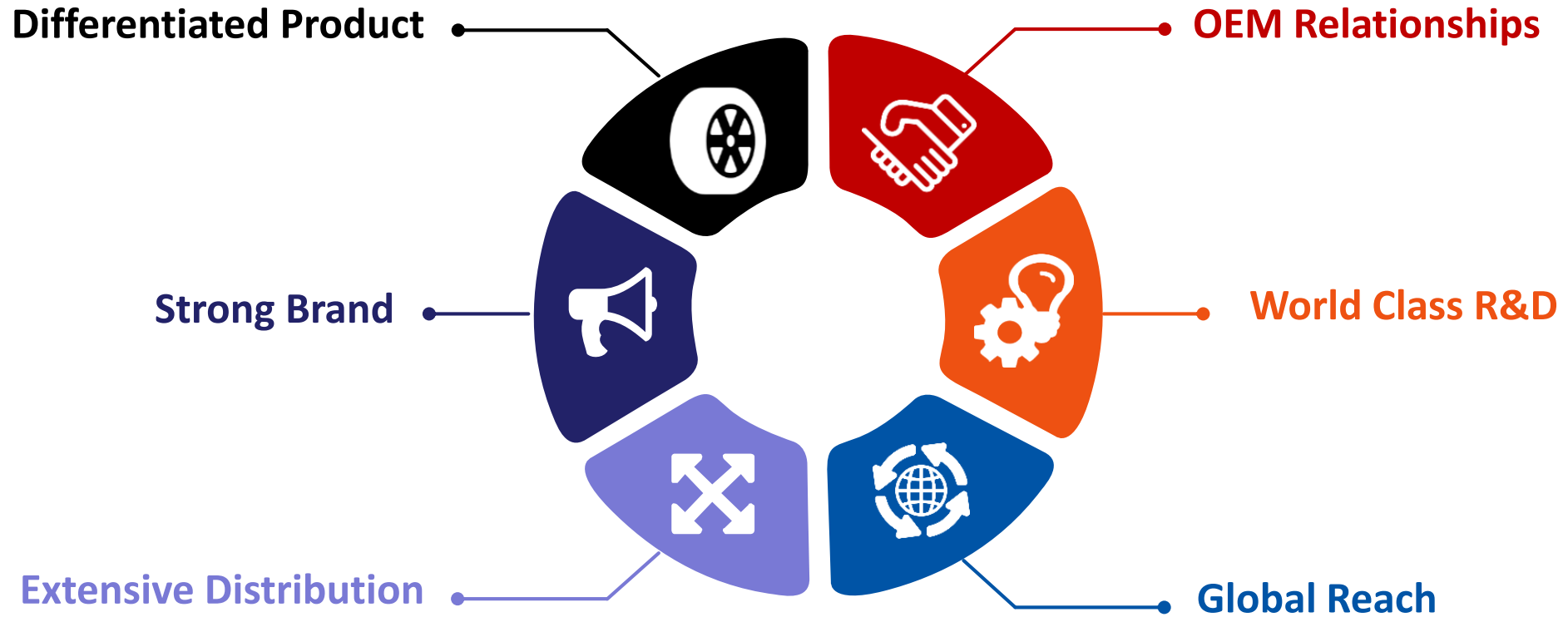
FY20 Revenue Breakup by Product



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

## New Entries and Supplier to OEM's



### 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.

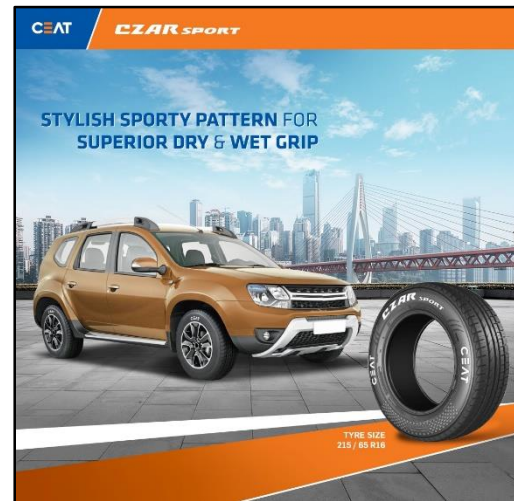
## 2 Strong Brand

CEAT's colourful Limited Edited **CEAT Zoom Rad Tubless tyres**



**CEAT products:**

providing superior performance across segments and terrains



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**

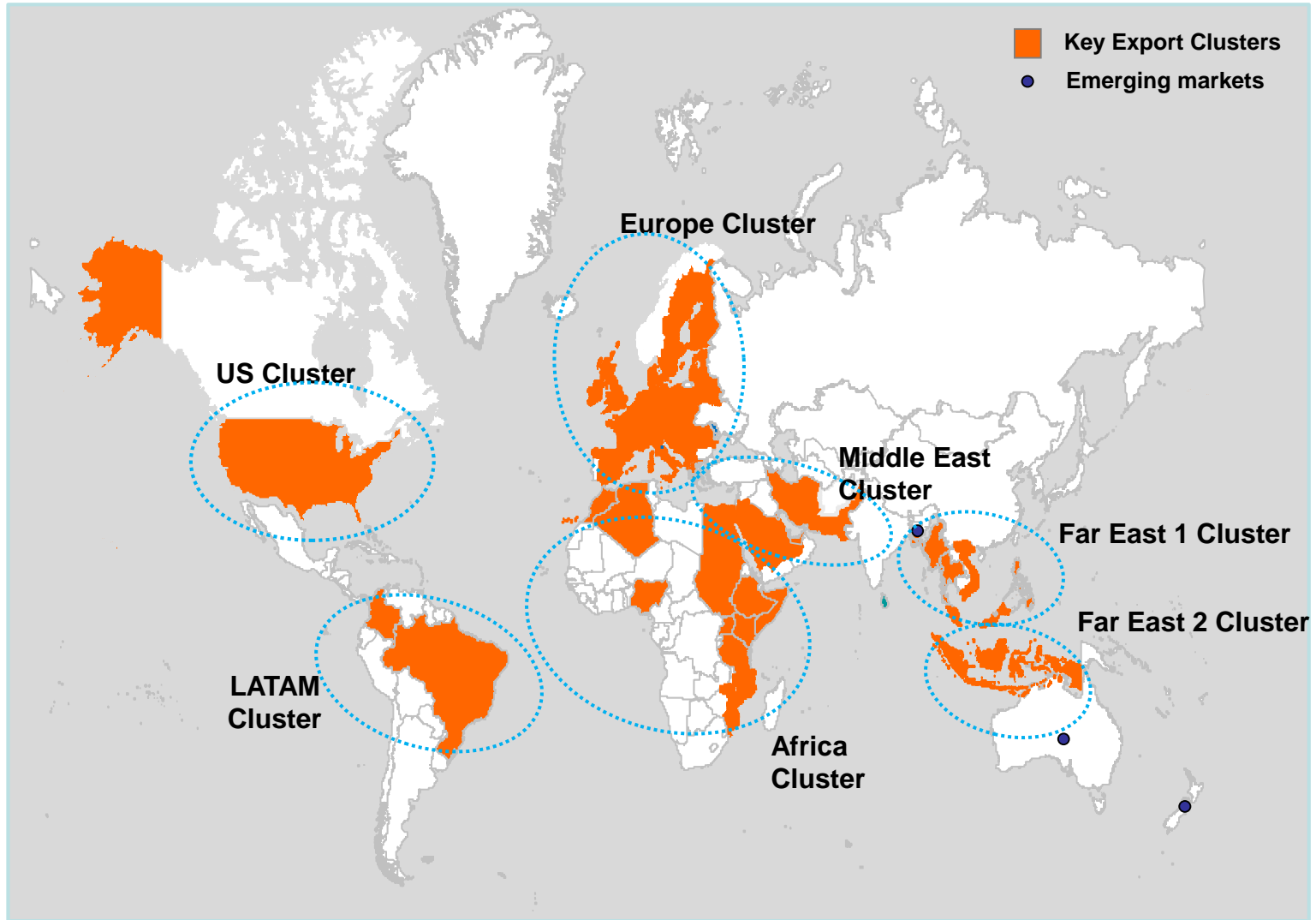


**R&D Office, Germany**

- 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

## 6 Expanding Global Reach

CEAT commissioned its **Greenfield facility at Chennai**



# Section 3: Operational & Financial Overview

# Q4 FY20 Operational Highlights

## Ratings and Awards

**CEAT's credit ratings affirmed by CARE & India Rating AA for long term with stable outlook & A1+ for short term**

**CEAT won Best Risk Management Framework Award from ICICI Lombard & CNBC 18**



## OEM Model Entry



Hero Glamour Refresh



Piaggio Aprilia



Mahindra Jeeto



TATA Infra

# Consolidated: Q4 FY20 Financial Highlights

## Q4 FY20 v/s Q3 FY20 (Q-o-Q)

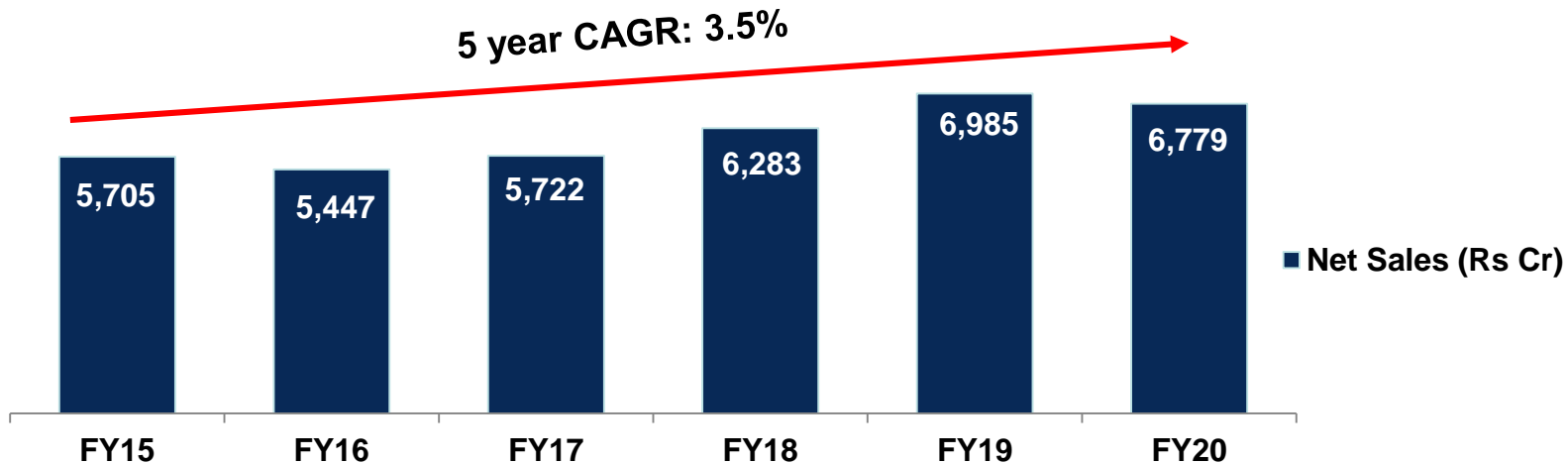
- Net revenue from operations declined by 10.7% at INR 1,573 Crs from INR 1,762 Crs
- Gross margin expanded to 45.6% from 43.0%
- EBITDA stood at INR 203 Crs compared to INR 188 Crs; margins at 12.9% from 10.7%
- PAT stood at INR 52 Crs compared to INR 53 Crs
- Debt / equity at 0.66x compared to 0.65x

## Q4 FY20 v/s Q4 FY19 (Y-o-Y)

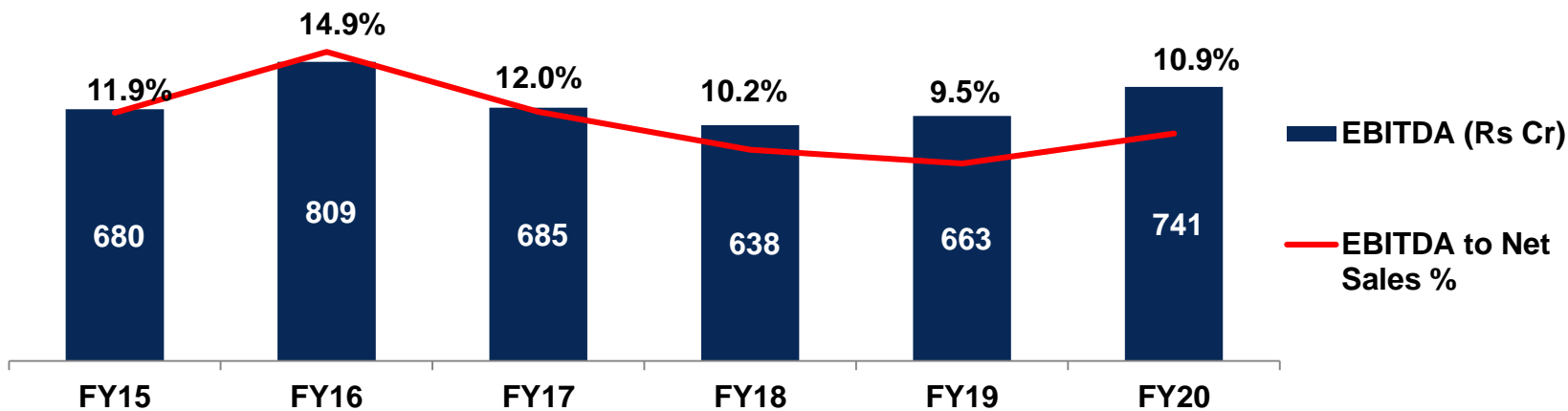
- Net revenue from operations declined by 10.6% at INR 1,573 Crs from INR 1,760 Crs
- Gross margin expanded to 45.6% from 39.3%
- EBITDA stood at INR 203 Crs compared to INR 166 Crs; margins at 12.9% from 9.4%
- PAT stood at INR 52 Crs compared to INR 64 Crs
- Debt / equity at 0.66x compared to 0.54x

# Consolidated: Financial Trends

Revenue growth

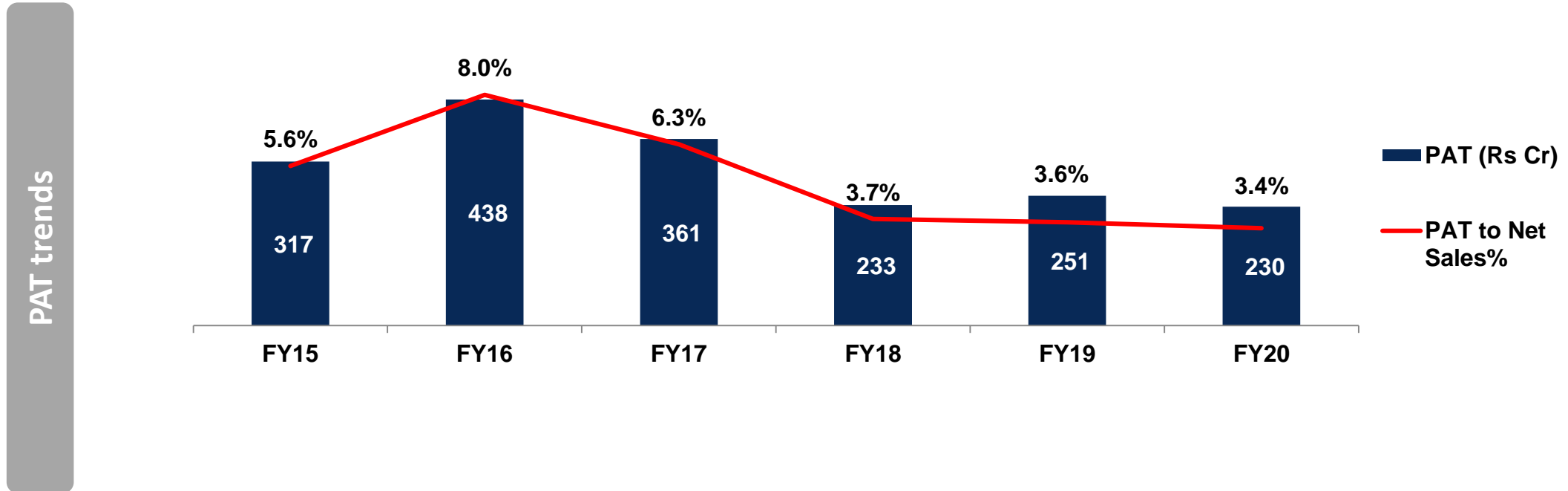


Margin trends



**Note**  
 FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods  
 FY16 onwards the Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method  
 FY16 onwards the EBITDA includes profit from Sri Lanka JV  
 EBITDA does not include Non-operating income

# Consolidated: Financial Trends



**Notes**

FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods

# Consolidated: Q4 FY20 Financials

All figures in INR Cr

Parameter	Q4 FY19	Q3 FY20	Q4 FY20	QoQ	YoY	FY19	FY20	YoY
<b>Net Revenue from operations</b>	<b>1,760.5</b>	<b>1,761.8</b>	<b>1,573.4</b>	<b>-11%</b>	<b>-11%</b>	<b>6,984.5</b>	<b>6,778.8</b>	<b>-3%</b>
Raw Material	1,069.2	1,004.7	855.2	-15%	-20%	4,181.8	3,915.1	-6%
<b>Gross margin</b>	<b>691.3</b>	<b>757.0</b>	<b>718.3</b>	<b>-5%</b>	<b>4%</b>	<b>2,802.7</b>	<b>2,863.8</b>	<b>2%</b>
<b>Gross margin %</b>	<b>39.3%</b>	<b>43.0%</b>	<b>45.6%</b>	<b>268 bps</b>	<b>638 bps</b>	<b>40.1%</b>	<b>42.2%</b>	<b>212 bps</b>
Employee Cost	127.8	144.3	141.8	-2%	11%	530.1	541.8	2%
Other Expenses	401.2	429.6	376.1	-12%	-6%	1,630.1	1,598.1	-2%
<b>EBITDA</b>	<b>165.6</b>	<b>187.9</b>	<b>202.9</b>	<b>8%</b>	<b>23%</b>	<b>662.7</b>	<b>741.1</b>	<b>12%</b>
<b>EBITDA %</b>	<b>9.4%</b>	<b>10.7%</b>	<b>12.9%</b>	<b>223 bps</b>	<b>349 bps</b>	<b>9.5%</b>	<b>10.9%</b>	<b>144 bps</b>
Finance Cost	26.9	38.0	40.7	7%	51%	88.0	150.9	71%
Depreciation	50.8	70.5	74.5	6%	47%	192.7	276.5	43%
<b>Operating PBT</b>	<b>87.9</b>	<b>79.3</b>	<b>87.7</b>	<b>11%</b>	<b>0%</b>	<b>382.0</b>	<b>313.6</b>	<b>-18%</b>
Exceptional expense	40.5	0.3	28.2		-30%	44.8	29.8	-33%
Non-Operating income	30.6	3.6	3.5	-2%	-89%	39.0	20.5	-47%
<b>PBT</b>	<b>78.0</b>	<b>82.6</b>	<b>63.1</b>	<b>-24%</b>	<b>-19%</b>	<b>376.2</b>	<b>304.3</b>	<b>-19%</b>
<b>PAT</b>	<b>64.3</b>	<b>52.5</b>	<b>51.7</b>	<b>-1%</b>	<b>-20%</b>	<b>251.1</b>	<b>230.1</b>	<b>-8%</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)

775

663

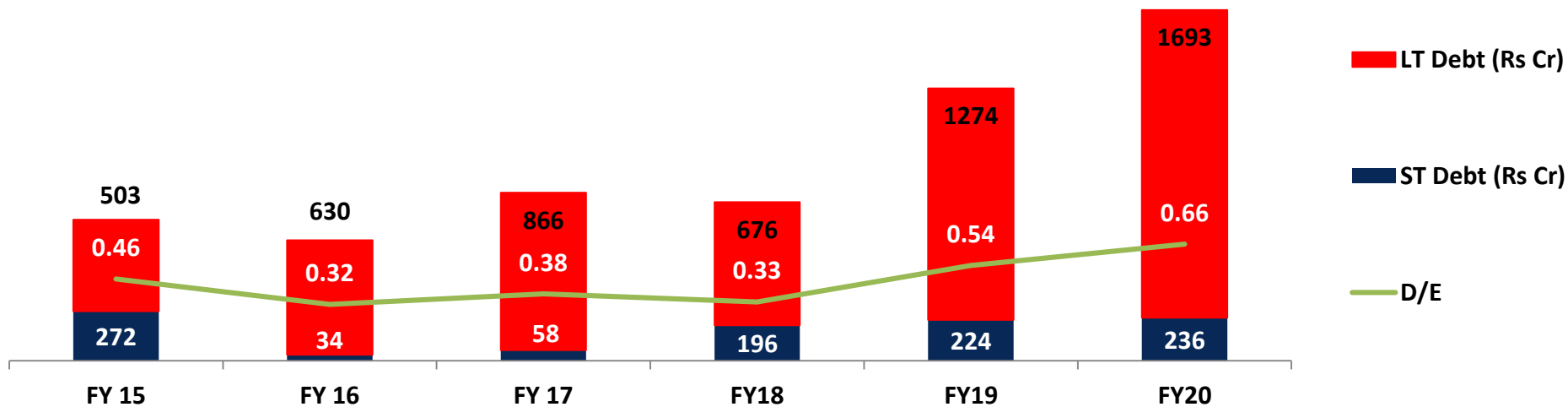
924

872

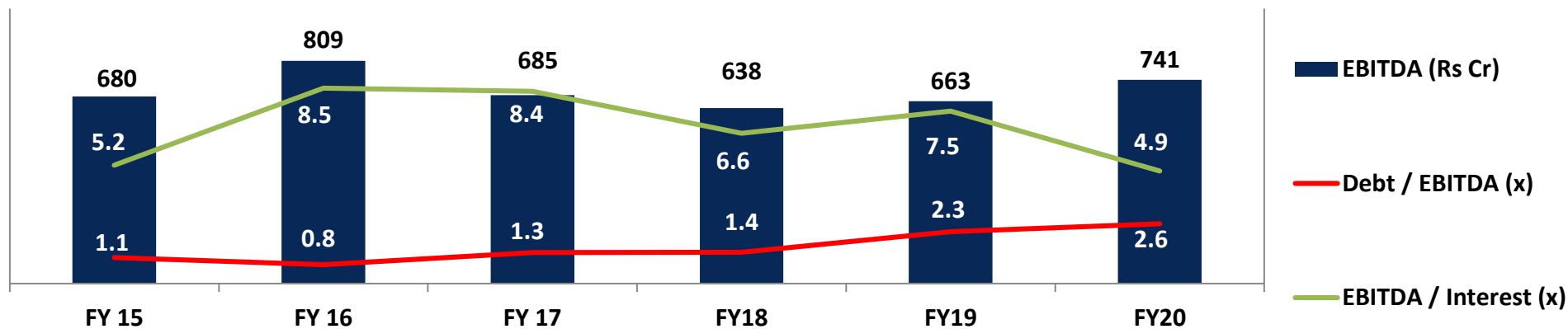
1498

1929

Debt breakup



Leverage ratios



**Note**

FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods  
 Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation 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: Q4 FY20 Financials

All figures in INR Cr

Parameter	Q4 FY19	Q3 FY20	Q4 FY20	QoQ	YoY	FY19	FY20	YoY
<b>Net Revenue from operations</b>	<b>1,717.5</b>	<b>1,708.6</b>	<b>1,523.6</b>	<b>-11%</b>	<b>-11%</b>	<b>6,831.3</b>	<b>6,581.1</b>	<b>-4%</b>
Raw Material	1,052.9	981.4	847.3	-14%	-20%	4,140.3	3,851.8	-7%
<b>Gross margin</b>	<b>664.6</b>	<b>727.1</b>	<b>676.4</b>	<b>-7%</b>	<b>2%</b>	<b>2,691.0</b>	<b>2,729.4</b>	<b>1%</b>
<b>Gross margin %</b>	<b>38.7%</b>	<b>42.6%</b>	<b>44.4%</b>	<b>183 bps</b>	<b>570 bps</b>	<b>39.4%</b>	<b>41.5%</b>	<b>208 bps</b>
Employee Cost	118.6	134.0	130.3	-3%	10%	492.0	500.5	2%
Other Expenses	379.9	412.0	356.1	-14%	-6%	1,561.5	1,523.5	-2%
<b>EBITDA</b>	<b>166.1</b>	<b>181.2</b>	<b>189.9</b>	<b>5%</b>	<b>14%</b>	<b>637.5</b>	<b>705.3</b>	<b>11%</b>
<b>EBITDA %</b>	<b>9.7%</b>	<b>10.6%</b>	<b>12.5%</b>	<b>186 bps</b>	<b>280 bps</b>	<b>9.3%</b>	<b>10.7%</b>	<b>138 bps</b>
Finance Cost	20.7	30.1	33.8	12%	63%	64.5	123.0	91%
Depreciation	45.9	64.8	69.3	7%	51%	174.3	255.4	47%
<b>Operating PBT</b>	<b>99.4</b>	<b>86.3</b>	<b>86.9</b>	<b>1%</b>	<b>-13%</b>	<b>398.7</b>	<b>326.9</b>	<b>-18%</b>
Exceptional expense	40.0	0.3	28.1		-30%	44.2	29.8	-33%
Non-Operating income	32.4	5.7	6.5	14%	-80%	55.3	41.3	-25%
<b>PBT</b>	<b>91.8</b>	<b>91.8</b>	<b>65.2</b>	<b>-29%</b>	<b>-29%</b>	<b>409.8</b>	<b>338.5</b>	<b>-17%</b>
<b>PAT</b>	<b>77.7</b>	<b>62.1</b>	<b>55.8</b>	<b>-10%</b>	<b>-28%</b>	<b>288.9</b>	<b>270.8</b>	<b>-6%</b>

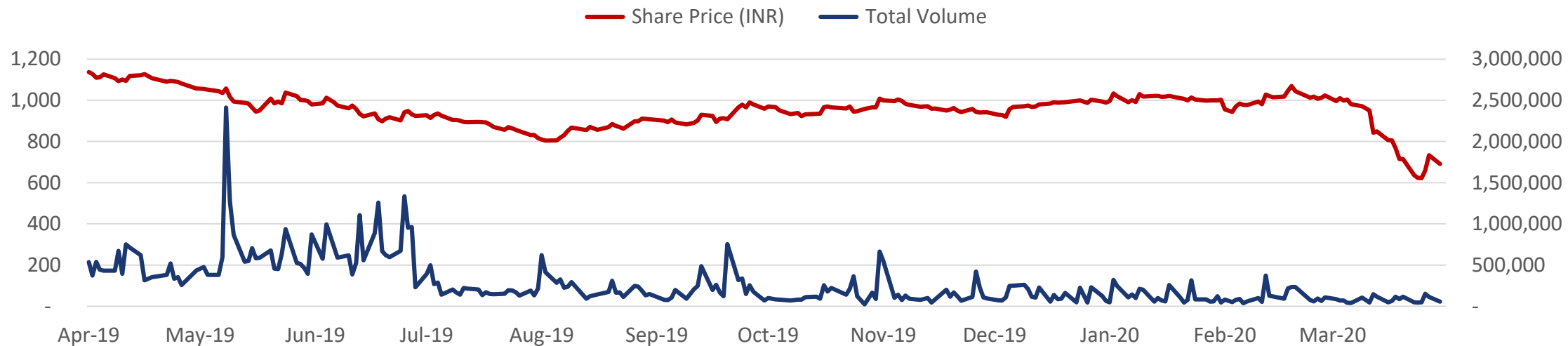
## Notes

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

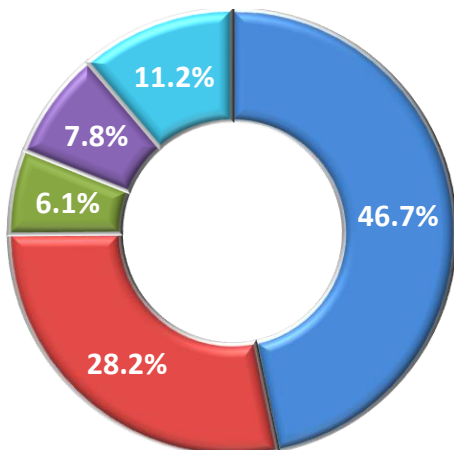
# Equity Shareholding & Price trends



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

## Shareholding Pattern as on March 31, 2020

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



## Market Information

- Market Price (May 27<sup>th</sup>, 2020): INR 760.8/share
- Face Value : INR 10/share
- Market Cap (May 27<sup>th</sup>, 2020): INR 3,077 Cr

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